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DECEMBER, 1938



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FINANCIAL RESULTS IN FATTENING CATTLE

BY M. H. SAUNDERSON AND ARTHUR ROTH, JR.
Montana State College Agricultural Experiment Station

OPERATORS IN THE IRRIGATED sections of Montana finish large numbers of live stock an alfalfa, small grains, and sugar beet by-products. Numbers of live stock varying between 11,000 and 165,000 head of cattle and 175,000 to 250,000 head of lambs are fattened annually.¹

The fattening of live stock provides the feeder with a market for feeds such as beet tops that otherwise could not be marketed. It is also a means of utilizing labor in the winter months and provides, too, a valuable source of fertilizer which is essential to maintain yields of sugar beets. The application of manure every other year in a two-year rotation at the rate of ten to twelve tons per acre has resulted in increasing beet yields from three to five tons per acre.² Valuing the sugar beets at \$7 a ton would give a value of from \$2 to \$3 a ton for the manure from the beet crop, and probably an equal amount for the other crop grown in the two-year rotation.

The accompanying tables on cattle feeding have been designed to show the necessary live-stock selling prices per 100 pounds to cover costs, including an operator labor wage for such of the labor requirements as may be performed by the operator, under different price levels for feed and live stock. (This does not include any credit for the value of the manure.) The rations with the

exception of those on yearling steers and cows, Table III and Table V, were secured from results of experiments by the Department of Animal Husbandry of the Montana Agricultural Experiment Station. The ration for cows, Table V, was taken from a study of cattle feeding operations of a number of feeders in the Billings area in 1931.³ The ration for yearling steers, Table III, was taken from a circular put out by E. J. Maynard, of the Maynard Brokerage Company, Billings, Montana.

These tables not only indicate the cost and necessary selling price under different price levels, but are also intended to show the feeder how to figure his

3. Unpublished data of the Department of Agricultural Economics and Animal Husbandry of the Montana Agricultural Experiment Station, based on cost accounting records of Montana cattle and lamb feeders.

costs and the necessary selling price to make a profit on his operations. The following paragraphs describe the procedure used in working out the accompanying tables.

The ration, feeding period, weights, and gains are shown at the top of each table. Three different prices are used for each feed—high, medium and low.⁴ Table I shows the three sets of feed prices used. The high, medium, and low price columns refer to the prices used in the live-stock fattening tables. In working up the tables, the price per pound for each feed was determined by dividing the ton price by 2,000. The price per pound for the feeds was then multiplied by the number of pounds fed to give the cost for that particular part of the ration. Using each of these three prices, the feed cost per head is figured by multiplying the number of pounds of feed by the price. The cost per head for each feed in the ration is shown in

4. The average price was secured from Montana ranch price data compiled by P. L. Slagsvold, Department of Agricultural Economics of the Montana Experiment Station, Bulletin 345. The period 1922-36 and only prices for months in which live stock are generally fattened were used in securing the average. Equal variations, both above and below this average, were taken.

TABLE I—FARM PRICES PER TON FOR FEEDS*

FEED	RANGE OF PRICES		
	HIGH	MEDIUM	LOW
Alfalfa hay	\$10.00	\$ 8.00	\$ 6.00
Bean straw	4.00	3.00	2.00
Oats	34.00	25.00	16.00
Barley	27.00	21.00	15.00
Wheat	37.00	27.00	17.00
Corn	32.00	25.00	18.00
Wet pulp†	2.25	1.75	1.25
Dry pulp	18.00	15.00	12.00
Beet Molasses	25.00	20.00	15.00
Cottonseed cake	45.00	35.00	25.00
Beet tops (acre).....	7.00	6.00	5.00
Pasture (per animal unit month) ‡.....	.70	.50	.30

*Based on average prices and equal variations both ways from this average secured from Montana farm price data compiled by P. L. Slagsvold, Department of Agricultural Economics, Montana Experiment Station, Bul. 345.

†Prices include trucking costs.

‡An animal unit month is the amount of feed required to maintain one cow, or five sheep for one month.

1. L. B. Mann, "Western Cattle and Sheep Areas," Farm Credit Administration, Circular No. C-103, Sept., 1936.

2. S. H. Hastings and Dan Hansen, "Irrigated Crop Rotations at the Huntley (Montana) Field Station, 1912-35," Bureau of Plant Industry, Department of Agriculture Technical Bulletin 571, June, 1937.

TABLE II—FATTENING CALVES

Initial weight 460.8 pounds. Final weight 820.8 pounds. Total gain 360 pounds. Feeding period 196 days. Daily gain 1.84 pounds.

Daily Ration: Grain* (oats or barley) 4.81 pounds; dry pulp 4.81 pounds; alfalfa 4.71 pounds.

1.	Cost per calf per 100 pounds (See note below)	High—\$7.50			Medium—\$6.50			Low—\$5.50		
2.	Feed costs per ton (see note below)	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW
3.	Feed costs per calf—									
	Grain* 942.76 pounds.....	\$12.71	\$ 9.89	\$ 7.07	\$12.71	\$ 9.89	\$ 7.07	\$12.71	\$ 9.89	\$ 7.07
	Dry pulp 942.76 pounds.....	8.48	7.07	5.65	8.48	7.07	5.65	8.48	7.07	5.65
	Alfalfa 923.16 pounds.....	4.61	3.69	2.77	4.61	3.69	2.77	4.61	3.69	2.77
4.	Total feed cost per calf.....	25.80	20.65	15.49	25.80	20.65	15.49	25.80	20.65	15.49
5.	Cost per head of feeder calves.....	34.56	34.56	34.56	29.95	29.95	29.95	25.34	25.34	25.34
6.	Labor, equipment, death loss, and interest costs	3.93	3.93	3.93	3.70	3.70	3.70	3.46	3.46	3.46
7.	Total cost per head (total of lines 4, 5, and 6).....	64.29	59.14	53.98	59.45	54.30	49.14	54.60	49.45	44.29
8.	Necessary selling price per 100 pounds to break even	7.83	7.21	6.58	7.54	6.62	5.99	6.65	6.02	5.40

TABLE III—FATTENING YEARLING STEERS

Initial weight 650 pounds. Final weight 950 pounds. Total gain 300 pounds. Feeding period 160 days. Daily gain 1.875 pounds.

Daily Ration: Barley 8.0 pounds; dried pulp 4.0 pounds; beet molasses 2.0 pounds; alfalfa 9.0 pounds.

1. Cost per steer per 100 pounds (see note below)			High—\$7.50			Medium—\$6.50			Low—\$5.50		
2. Feed costs per ton (see note below)	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW		
3. Feed costs per steer—											
Barley 1,280 pounds.....	\$17.28	\$13.44	\$ 9.60	\$17.28	\$13.44	\$ 9.60	\$17.28	\$13.44	\$ 9.60		
Dry pulp 640 pounds.....	5.76	4.80	3.84	5.76	4.80	3.84	5.76	4.80	3.84		
Beet molasses 320 pounds.....	4.00	3.20	2.40	4.00	3.20	2.40	4.00	3.20	2.40		
Alfalfa 1,440 pounds.....	7.20	5.76	4.32	7.20	5.76	4.32	7.20	5.76	4.32		
4. Total feed cost per steer.....	34.24	27.20	20.16	34.24	27.20	20.16	34.24	27.20	20.16		
5. Cost per head of yearlings.....	48.75	48.75	48.75	42.25	42.25	42.25	35.75	35.75	35.75		
6. Labor, equipment, death loss, and interest costs.....	4.40	4.40	4.40	4.10	4.10	4.10	3.81	3.81	3.81		
7. Total cost per head (total of lines 4, 5, and 6).....	87.39	80.35	73.31	80.59	73.55	66.51	73.80	66.76	59.72		
8. Necessary selling price per 100 pounds to break even.....	9.20	8.46	7.72	8.48	7.74	7.00	7.77	7.03	6.29		

*On tops for two weeks before being put in lot.

Note: Each of the three price situations for feed are used with the high live-stock price applied to the three feed prices, then the medium live-stock price applied to the same three feed prices, and then the low live-stock price again applied to the same three feed prices. This makes nine variations in the total cost per head.

line three on the tables. Line four gives the total feed cost per head for fattening the live stock.

Three different price levels for the live stock are applied to each price level for feeds. Line one shows the purchase price per hundredweight used, and line five shows the cost per head for the live stock at each price level. Line six gives the labor, equipment, death loss, and interest costs per head. These costs are grouped under one head, since they are the smaller items in the cost and have been computed at the same amount for the different live-stock and feed prices.

The labor cost per head for cattle, based upon records of labor requirements and average rate of \$70 per month, including board, amounts to \$2 per head. The equipment cost is 20 cents, based on 10 per cent depreciation on the value of investment in feeding equipment for cattle at \$2 per head. The labor cost will necessarily vary with the length of feeding period and, at the above wage rates, ranges from \$1.50 to \$3.50.⁵ The death loss cost is figured on the basis of

1 per cent death loss. This cost includes only the original cost of the animal. For example, if an operator feeds 100 head of cattle which cost \$40 per head, the death loss cost per head would be 40 cents. To be exact, this cost should also include the value of the feed which is eaten by the animals which died, but this is not calculated here because it would require an assumed time of death during the feed period. Interest is figured at 6 per cent on the investment per head in live stock for the period during which the cattle are fed.

By adding lines three, five, and six, the total cost per head is found, which is given in line seven. Dividing the total cost per head by the final weight of the fat animal gives the necessary farm selling price per 100 pounds to break even.

These tables should be useful for show-

5. Labor and equipment costs taken from unpublished material of the Montana Experiment Station. This material is based on actual cattle feeding records secured in Montana in 1931 by the Department of Agricultural Economics and Animal Husbandry.

ing the influences of feed and feeder prices with different rations, as a guide in determining what the live-stock feeder's costs will be under his own particular conditions, and for determining the most economical feeds to use under the prevailing conditions.

The operator who is interested in fattening live stock may find it well worth while to estimate his feeding costs by such a method as is used here. By doing this he can tell approximately the probable financial results of a live-stock fattening operation under different price situations for feeder animals, feeds, and the fattening animals. This material is primarily intended to illustrate a method of calculating the probable financial results of different alternatives in feeding live stock. Would it be advisable, (1) to buy the animals and also more or less of feed to fatten them, or (2) to sell any feed on hand rather than to use it in feeding live stock, or (3) to use all the feed produced on the farm in fattening live stock which would have to be purchased?

TABLE IV—FATTENING TWO-YEAR-OLD STEERS

Initial weight 805 pounds. Selling weight 1,165 pounds. Total gain 360 pounds. Feeding period 170 days. Daily gain 2.117 pounds.

Daily Ration: Corn 588 pounds; oats .441 pounds; cottonseed cake 1.0 pounds; alfalfa 9.50 pounds; wet pulp 150 pounds.

1. Cost per steer per 100 pounds (see note below)		High—\$7.50			Medium—\$6.50			Low—\$5.50		
2. Feed costs per ton (see note below)		HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW
3. Feed costs per steer—										
Corn	100 pounds.....	\$ 1.60	\$ 1.25	\$.90	\$ 1.60	\$ 1.25	\$.90	\$ 1.60	\$ 1.25	\$.90
Oats	75 pounds.....	1.26	.93	.59	1.26	.93	.59	1.26	.93	.59
Cottonseed cake	170 pounds.....	3.83	2.98	2.13	3.83	2.98	2.13	3.83	2.98	2.13
Alfalfa	1,600 pounds.....	8.00	6.40	4.80	8.00	6.40	4.80	8.00	6.40	4.80
Wet pulp	12.5 ton	28.13	21.86	15.63	28.13	21.86	15.63	28.13	21.86	15.63
4. Total feed cost per steer.....		42.82	33.42	24.05	42.82	33.42	24.05	42.82	33.42	24.05
5. Cost per head of steers.....		60.38	60.38	60.38	52.33	52.33	52.33	44.28	44.28	44.28
6. Labor, equipment, death loss, and interest costs.....		4.61	4.61	4.61	4.29	4.29	4.29	3.97	3.97	3.97
7. Total cost per head (total of lines 4, 5, and 6).....		107.81	98.41	89.04	99.44	90.04	80.67	91.07	81.67	72.30
8. Necessary selling price per 100 pounds to break even.....		9.25	8.45	7.64	8.54	7.73	6.92	7.82	7.01	6.21

TABLE V—FATTENING COWS

Initial weight 820 pounds. Selling weight 1,025 pounds. Total gain 205 pounds. Feeding period 75 days. Daily gain 2.733 pounds.

Daily Ration: Barley 4.8 pounds; cottonseed cake 1.2 pounds; bean straw 1,500 pounds; wet pulp 80.0 pounds; molasses .8 pounds; beet tops .0241 acres.*

1. Cost per cow per 100 pounds (see note below)		High—\$5.50			Medium—\$4.50			Low—\$3.50		
2. Feed costs per ton (see note below)		HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW	HIGH	MEDIUM	LOW
3. Feed costs per cow—										
Barley	360 pounds.....	\$ 4.86	\$ 3.78	\$ 2.70	\$ 4.86	\$ 3.78	\$ 2.70	\$ 4.86	\$ 3.78	\$ 2.70
Cottonseed cake	90 pounds.....	2.03	1.58	1.13	2.03	1.58	1.13	2.03	1.58	1.13
Bean straw	1,125 pounds.....	2.25	1.69	1.13	2.25	1.69	1.13	2.25	1.69	1.13
Wet pulp	6,000 pounds.....	3.60	2.70	1.80	3.60	2.70	1.80	3.60	2.70	1.80
Molasses	60 pounds.....	.60	.48	.36	.60	.48	.36	.60	.48	.36
Beet tops	1.81 acres	2.33	2.00	1.67	2.33	2.00	1.67	2.33	2.00	1.67
4. Total feed cost per cow.....		15.67	12.23	8.79	15.67	12.23	8.79	15.67	12.23	8.79
5. Cost per head of cows.....		45.10	45.10	45.10	36.90	36.90	36.90	28.70	28.70	28.70
6. Labor, equipment, death loss, and interest costs.....		3.10	3.10	3.10	2.94	2.94	2.94	2.78	2.78	2.78
7. Total cost per head (total of lines 4, 5, and 6).....		63.87	60.43	56.99	55.51	52.07	48.63	47.15	43.71	40.27
8. Necessary selling price per 100 pounds to break even.....		6.23	5.90	5.56	5.42	5.08	4.74	4.60	4.26	3.93

*On tops for two weeks before being put in lot.

Note: Each of the three price situations for feed are used with the high live-stock price applied to the three feed prices, then the medium live-stock price applied to the same three feed prices, and then the low live-stock price again applied to the same three feed prices. This makes nine variations in the total cost per head.

CANADIAN AND BRITISH TRADE PACTS SIGNED

SOME MORE LAW OF THE LAND made appearance with the signing on November 7 of trade pacts with Great Britain and Canada. The agreements become effective on January 1, 1939, and will run for initial terms of three years.

The "most favored nation" principle is contained in the agreements. Under this principle a country agrees with another to extend to it any trade concessions granted a third.

Important to the cattleman is the ½-cent-a-pound cut on cattle weighing more than 700 pounds—a reduction from 2 cents to 1½ cents a pound—and the increase in the heavy cattle quota from

156,000 to 225,000 head, with a provision that the number entering this country during any quarter year should not exceed 60,000 head; also the increase in weight limit and quota on calves—weight limit raised from 175 to 200 pounds, quota from 52,000 to 100,000 head. The quota limitation of 20,000 head on dairy cows has been dropped, the 1½-cents-a-pound rate continuing. The American duty on hogs is reduced from 2 cents to 1 cent a pound.

The United States also reduced its duty on fresh and chilled pork from 2½ cents to 1¼ cents a pound, and on certain cured pork products from 3¼ cents to 2 cents a pound.

Canada lowered its rate on live hogs 1 cent a pound, cut its duty on fresh pork to 1¼ cents a pound, and bound its 1¼-cent rate on bacon, hams, and

other cured pork products. The 1935 rate on hogs was 3 cents; the 1936 rate on fresh pork, 2½ cents.

The British duty of 10 per cent on lard, established in 1932, was removed in the agreement with Britain. That pact also provides for an increase in the British quota which restricts importation of American hams and cured pork into the United Kingdom. Continued free entry is assured for American chilled or frozen pork in the British agreement, which also made concessions on sausage casings, oleo oil, and tallow. Duty on American lard to Newfoundland was cut in half to 30 per cent.

Concessions by the United States to Great Britain were mainly on manufactured products and included wool fabrics. Raw wool is not covered in the agreement.

STATUS OF THE BEEF CATTLE INDUSTRY

BY HUBBARD RUSSELL*

THE CATTLE INDUSTRY WOULD be easy for me to talk about, but my subject, "Status of the Beef Cattle Industry," is not so simple.

The cattle industry is a fascinating one. Otherwise few would be permanently engaged in it. There is nothing so pleasant to the cattleman as to be out on the range among his cattle when feed and water are in ample supply and good, thrifty condition assured and when prices afford a reasonable profit. On the other hand, there is nothing that will depress these men more than a depleted range due to droughty conditions, thin live stock as a result thereof, and a bad market situation.

Unfortunately, up to the present time it has been just as impossible for the cattleman to bring about stable market conditions as it would have been to regulate the weather. Thus, weather and markets remain the twin major hazards in a business beset with many other risks, including diseases, infectious and otherwise, range deterioration due to grasshoppers, Mormon crickets, and chinch bugs, and the constantly increasing theft menace that has come with better roads and faster trucks.

Despite these many obstacles, with millions upon millions of acres unfit for other than pasture use, with large areas unwisely plowed up now being restored to grass, it would seem that the beef cattle industry will remain for many years one of the most important in all the territory west of Missouri River.

Beef Cattle Supply

It is difficult today to enter the realm of conjecture and hazard a guess as to whether we have too many or too few cattle on hand. There are many unpredictable and contradictory factors involved—for instance, current reports that business is on the upgrade, coupled with frequent statements of more and more men added to WPA rolls. Are we going up or down, or are we holding our own? When this question is answered, we can plan our operations with some intelligence. In the meantime we believe the meetings being held in various sections of the country, designed to promote increased live-stock production, in which some of you have taken a prominent part, are unwise and premature.

Secretary Wallace in 1934 said that the cattle population of 74,000,000 head

then in existence was probably close to 10,000,000 head in excess of our requirements. It would seem that our present census of slightly less than 66,000,000, with the trend in production upward, offers no encouragement either to those who would sharply increase production or to those who would break down our tariff barriers and flood American markets with cheap foreign cattle and beef. I call your attention to the fact that the average cattle census for the ten-year period 1929-38 was just 66,200,000 head. We can and will expand production as needed without artificial stimulation as soon as conditions seem to justify.

Production Costs

In this connection I should like to comment on statements made and repeated many times in the past two or three years by one prominent in your industry as to the need for lower production costs on the part of our cattle producers. I want to answer this statement partially by asking a few questions in turn.

For instance, can you or any other manufacturer or processor of a commodity reduce cost of production and yet maintain the standard of living for yourself or your employees if you have no voice in setting the sales price of your product?

Could you remain in business when taxes, pay rolls, freight rates, and costs of raw materials advance, unless you could add such increased costs to the price of your finished product?

This is just what the cattle producer or the producer of other agricultural products cannot do. He must offer his product for sale on the open market, and he receives therefore, as you state to us, the price the consumer will pay, minus the cost of marketing, processing, and distribution plus a reasonable profit retained by the processor. Therefore, it is not so difficult for the packer or other manufacturer to meet increased wages or other increased costs. According to his own statement, he simply takes it out of the producer.

Let me add that in so far as production costs can be affected by improvement in breed and quality, by constant adaptation to new methods of feeding and new types of feed, we are well in the vanguard of the procession. Further, if production costs are to be lowered, it must be by some method yet to be found. In my opinion, if more stabilized market values could be maintained, based at least in some degree upon reasonable costs of production, much more could be accomplished.

The packer can be very helpful in bringing about such stabilization. The producer will continue forever to question the equity of a system which permits wide fluctuations in the price paid to producers, often without even a following ripple in the price paid by the consumer.

Live Stock and Meat Prices

This brings up the old question of the big spread between the price received by the producer and the price paid by the consumer. We should all bend our energies to close that spread and to prevent its increase.

One thing is clear, and that is that when prices are low, with distribution costs fairly constant, the producer receives a smaller proportion of the consumer's meat dollar than that to which he is entitled. When prices get too high the consumer complains, so that a more stable market condition would not only go far in removing complaints on both sides, but would at the same time have a salutary effect on the problems of the distributor.

I do not believe that production curtailment plans can bring about stabilized prices, but I do believe that we could level off the extreme highs and lows by co-operation of all branches of the industry, to the end that we could have a plan of orderly marketing. And in my opinion, never will dependable stabilization of values obtain until we do have orderly marketing, beginning with the movement of the live animal to the market.

If there is an orderly flow to the market, that order will automatically obtain throughout to the ultimate consumer. By orderly marketing I do not mean to say that we should have emphatic increases or decreases of production, but I do mean that a sound program of orderly marketing will influence production of live stock in the proper direction.

Such a plan calls for co-operation of all branches of our industry. The first move must be made by the producers themselves. Advantages to all branches will readily be seen, and certainly such a plan of orderly marketing would, by eliminating the feasts and famines in our live-stock markets, stabilize values on the hoof. This would stabilize values on the hooks, eliminate the element of unsound price speculation, and lower prices to the consumer.

I believe a satisfactory situation can be maintained by the industry itself with proper co-operation, encouragement, and safeguards, and by showing that more stabilized conditions may be acquired and maintained by a plan of orderly marketing. Surpluses, if any, after our domestic requirements are cared for at domestic market prices, may be exported at world prices. The industry itself, and not the federal treasury, should absorb possible export losses.

*Mr. Russell is president of the American National Live Stock Association. This address was made at annual convention of Institute of American Meat Packers, held in Chicago October 21-25.

Beef Consumption

Consumption of beef is today about 13 pounds per capita less than it was in the ten-year period beginning with 1900 and less, with the exception of seven years, than it has been since 1900. This indicates that we are not getting our share of the consumer's dollar. The total decrease in per capita consumption of all classes of meats during this period is even more than in the case of beef alone.

It is obvious that producers, processors, manufactureres, and merchandizers of other foods have been more active and more successful in appealing to the consumer's appetite. Our entire industry should join forces in co-operating to bring back this loss of volume. In my estimation this would be possible.

As an example of such co-operation, I want to mention the all-around beneficial effect of the meat advertising campaign conducted last spring under the joint auspices of your organization, National Live Stock and Meat Board, and other agencies and merchandizers of our product. That activity likewise had a stabilizing effect at a most critical time.

We are fortunate in that practically all people consume beef, so that a continuous, active campaign such as that of last spring can easily up per capita consumption three or four pounds. That would take care of the product of approximately 1,000,000 cattle per year, and would indicate that if we continue such co-operative activities we need have no great fears of oversupply, even if the present upswing carries our cattle population near the 70,000,000 mark.

I earnestly solicit your full co-operation with the National Live Stock and Meat Board and your help in perfecting a system more adequately to finance its activities.

One thing we can say without fear of contradiction is that the consumer of meat products in this country is offered a superior, wholesome, clean product, unmatched in any country in the world. Not only has veterinary science conquered most of the diseases with which we have to contend, but our Bureau of Animal Industry, in its meat inspection service, has set a world-wide standard for efficiency and conscientious application of a very exacting service.

I should like briefly to touch upon some of the other problems which confront us today, and to suggest certain ways by which I think our interests can best be protected.

Processing Taxes

Processing Taxes.—It is being conceded on all sides that the present AAA program has failed of its dual objective—production control and price maintenance. Secretary Wallace is proposing a revival of the processing tax in order that bigger and better benefit payments can be made, with a further effort to control production.

In so far as live stock is concerned, I believe, and I am sure you will agree with me, that a processing tax on live animals or meat products would be a crowning disaster to our industry. The calamitous effect of the hog processing tax is fresh in the minds of all of us. No matter how acute the farm situation may be, an attempt to remedy it by the levy of a processing tax would be like jumping from the frying pan into the fire.

Reciprocal Trade

Reciprocal Trade Agreements.—I have already discussed the potential supply situation at some length. Nothing therein warrants the belief that our current supply is deficient. Certainly there is no ground for lowering the tariff on cattle and cattle products, already too low on many items such as canned beef and hides, merely for the purpose of lowering price levels in this country. That would be contrary to the basic principle of the Agricultural Adjustment Act and glaringly indefensible when all other costs of operation are being increased, largely as the result of governmental activity.

I do not believe the principle of government subsidy to agricultural producers is a sound one. In the case of cattle, if we are assured the possible American market for our product, we do not need subsidy. Indeed, as one casts about and sees the sorry plight of those branches of the agricultural industry which have given the economic planners full sway, we cannot but be glad that so far we have had a minimum of such planning.

Argentine Pact

Argentine Sanitary Convention.—I am sure the members of this great organization will join me in expressing our deep appreciation to the Senate Foreign Relations Committee for so wisely sitting on the lid for three and one-half years and preventing any action on the Argentine sanitary convention. I know whereof I speak in this regard, because a little more than ten years ago I saw more than 3,500 head of purebred Hereford cattle, belonging to my company, driven into two huge trenches, shot and buried in quicklime. No greater calamity could befall us than another outbreak of foot-and-mouth disease, and that would be the inevitable result if shipments of dressed beef were permitted to come from countries where the disease exists.

Beef Grading

Beef Grading.—It appears that our industry during the past two or three years has been in a more favored position than most branches of agriculture. There may be various reasons for this. One certainly is the fact that we have done a good job, not only of advertising our product, but of standardizing it. It is an inescapable fact that advertising

and standardizing must go hand in hand. It would be futile to advertise a product, the quality and grade of which were not guaranteed.

We are pleased to note the rapid growth of the government program for the grading and stamping of beef. With the lower grades pretty well taken care of by the tremendous increase in consumption of sausage, it is high time that a completely unified grading system is adopted, in order that we can reap the full benefit of the sustained consumer demand which surely will follow a sufficient guarantee of grade and quality.

Production Control

We are gratified that the market during recent months has been quite satisfactory despite a sharp decline in pay rolls compared with a year ago. One cannot, however, see clearly very far ahead. Much will depend on amendments to the AAA. The unsuccessful attempt to control production already has agriculture well out of balance. If continued, I fear that before long, illogical and unnatural shifts of beef cattle production will result to the detriment of live-stock producers and will increase the sorry plight producers of live-stock feed grains and concentrates are already in. Witness the dairy situation, with unprecedented storage stocks of butter and cheese. What has happened to the dairy industry can well happen to the live-stock industry if further millions of acres are kept from being planted to major crops but instead are planted to grass crops for use as forage for live stock.

On the other hand, the adoption of a domestic allotment plan advocated by the National Grange and many other leading farm groups would considerably alter the situation. This proposed plan would take away the emphasis on production and help restore a better balanced condition. The present program, while pretending to control production, actually emphasizes increased production on slightly reduced acreages.

Co-operation

Whatever comes, there is need for close co-operation between your branch of the industry and ours. Up to the present time, with an unstable market, a confused and multiple system of grading and stamping, and with inadequate provision for advertising our product, we have failed to take full advantage of our opportunity. If, jointly, we can overcome these obstacles, I believe that we can regain much of the ground lost to competitive foods and hold our own no matter what turn the legislative program takes. People will eat good beef as long as it is supplied to them at a reasonable price. Let us make it our business to do just that and at the same time show a little profit in the transaction for both the producer and the processor.

FUTURE FAIRLY ROSY FOR LIVE STOCK

BY JAMES E. POOLE

KISS THE PROCESSING TAX device good-bye. November election results consigned it to the ash can. Financial desperation may prompt its backers to invade the national legislative sphere with their nostrum, but its wild goose is cooked. The critter is dead; its hide is on the fence.

Cursory perusal of election returns is convincing that every purely agricultural county of importance in Pennsylvania, New York, Ohio, Michigan, Indiana, Illinois, Iowa, Minnesota, and Wisconsin voted the other way. To what extent Secretary Wallace's inopportune announcement of intention to impose such taxes affected the vote must be left to conjecture. His Kansas, Illinois, and Ohio talks on the subject aroused resentment wherever cattle are fed or swine grown. Results cannot be construed, by any stretch of imagination, as a mandate to include domestic animals in the persistent search for "new sources of revenue." This eliminates a menace hanging over the industry recently.

Prospects Fair

Live-stock conditions—present and prospective—are fairly satisfactory. Cheap, abundant feed favors meat makers, incidentally maintaining replacement cost at high levels. Diminished beef production has put the country on short rations, although pork, relatively cheap, is furnishing a measure of relief. Disappearance of the western lamb crop has propped values of ovine stock. A gratifying fact is that every pound of edible product is going into distributive channels with reasonable celerity. Otherwise every short run of cattle, hogs, and sheep would not develop a buying scramble. Killers are charting a hand-to-mouth course. "Get 'em down" is the constant caution to buyers—which they proceed to do whenever opportunity offers.

P. D. Armour, the elder, who had a penchant for schooling buyers, had a stereotyped admonition whenever promotion occurred. "I have educated you at considerable expense," he was accustomed to remark, "and I expect returns. Put this in the back of your head: Never neglect opportunity to save the house a dollar."

Stiff Game

Necessity for economizing cost of raw material was never greater. Processors are up against a stiff game, what with swelling taxes, local and federal, labor domination, incipient strikes, dearth of supplies, restricted volume, and keen competition at the acquisition stage. Packers never made a dollar on high-cost live stock, and never will. Dividend suspension discloses the straits in which

they now find themselves. This insures continuous and strenuous effort to save money at the inception of the processing operation.

Supply premonition is vague. Even the official forecasters are cautious, probably in view of recent boners. They detect no increase in beef supply, a moderate expansion in pork production, and a short winter lamb crop, all of which deserves approval. A count of tails being impossible, a logical conclusion is that a few more fat cattle will materialize during the ensuing six months, 10 or 12 per cent more hogs, and 25 per cent fewer sheep and lambs. Prices depend to a large extent on industrial activity, as WPA gangs gathering leaves on lawns surrounding closed factories are not actual or potential meat consumers.

Production Down

Slaughter figures tell an accurate, convincing story. No other reliable live-stock statistics are available. Instead of a 15 to 20 per cent increase in beef production this year, that of the first ten months was 2.25 per cent less than the corresponding period of 1937 on a numerical basis, and less than that when tonnage is reckoned with, owing to preponderance of yearling and light steers reflected in substantial premiums for long-fed heavy bullocks. This represents economical production, as beef trade can get along comfortably with a modicum of long-fed heavy steers. Ten months' slaughter under federal inspection aggregated 8,161,000 head, compared with 8,354,000 last year. October slaughter, 883,786 head, was 74,598 less than last year—a decrease of 8 per cent and the smallest for the month since 1933. This reflects actual shortage of western grass beef. The deficiency would have been even greater but for a run of short-feds—steers moving into the Corn Belt early and acquiring sufficient condition meanwhile to make their carcasses eligible to a place on the beef-rail, although a large percentage lacked normal yields. Murdo Mackenzie was wont to complain of short-fed competition with western

grassers at this juncture. Circumstances have effectively altered the situation.

In-and-Outers Busy

The new crop of steers, munching cheap feed, is in weak hands. A conspicuous in-and-out element has butted into the beef-making arena this season, to the dismay of regular feeders who fought shy of what they considered dangerous replacement cost. Market quotations are not an indication of what a large number of feeders actually paid, as traders, purchasing at central points, resold at auction or otherwise all over the hinterland, cleaning up a substantial profit. Those high-cost steers are actually a menace to market stability during the December-to-March period, as owners are anxious to count their capital. Already liquidation at narrow margins is evident. Thousands of regular feeders, evading in-and-out competition, have not secured their seasonal quota. They are still potential buyers. Cannery feeders have not acquired to exceed 50 per cent of the cattle they need; eastern winter feeders are short, particularly in the Lancaster, Pennsylvania, section.

Cheap Feed Theory Wrong

On the other hand, small bunches of both steers and heifers are in evidence. Superb fall physical conditions have enabled them to condition rapidly and cheaply, a large percentage figuring even now in visible beef supply. Feeders lack incentive to put on weight—1,100 pounds or more—even at low cost, as every session of the market favors yearlings and steers weighing 1,000 to 1,075 pounds. Any impression cultivated in official quarters that cheap feed insures an excessive supply of heavy cattle is erroneous.

Liberal, if not excessive, receipts of merely warmed-up steers during the January-to-March period is popular expectation, every market on the map reporting premature arrivals. Early in November, Kansas City scored liquidation with a 100-car run the first Monday, which was responsible for a 25- to 50-cent break, Chicago having similar experience. This indicates the extent to which the country influences short market trends. Put on 25 cents per cwt. any session, and feeders promptly respond; take off 25 to 50 cents, and interior loading is reduced. This keeps the trade in a turmoil, killers alternately having access to more than required and scrambling to fill beef-rail needs.

Turkeys Compete

After the turn of the year beef trade will acquire a stride. Meanwhile turkey competition must be met, and that bird is cheap this season. Beef had been in competition with relatively cheap pork to its disadvantage. As the season works along, new-crop steers will show improved condition, yield more meat, and eliminate the gambling phase that



John Rosal
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TOMORROW BANK NIGHT.

AMERICAN CATTLE PRODUCER

causes buyers grief when they visé dressing sheets.

Other than steers, beef supplies are low. Until a new crop of heifers can be conditioned, that type will be scarce. Few cows and a short percentage of heifer yearlings have been acquired by feeders. The season's run of southern bow-wows has gone to killers, who covet them.

Imports Contracted

Canadian cattle imports are at low ebb. During September only 7,767 head weighing over 700 pounds entered, compared with 8,750 last year; but the stocker run, 175 to 700 pounds, dropped from 10,663 last year to 754 head. All told, the January-to-September importation of Canadian cattle during the present year was 94,480, compared with 267,491 in 1937, which includes calves, stockers, and beef. Mexico, however, sent 207,441 this year, against 178,245 in 1937, the figures indicating liquidation in a scramble to evade Communist confiscation, as the bulk weighed 175 to 700 pounds.

Meat imports show substantial contraction. From January to September only 58,400,546 pounds of canned beef, mostly South American, came in, as against 70,328,004 last year, total beef and veal imports figuring 61,027,477 pounds, against 75,410,055 last year. Pork imports were reduced from 58,539,362 pounds in 1937 to 40,810,839 this year. The aggregate volume is, however, still excessive. Poland still floods this market with canned hams, which get ready sale. Beef and veal exports were 9,759,360 pounds this year, against 10,060,782 pounds in 1937; pork, 69,246,741 pounds against 43,480,501 last year. Expansion of lard exports—148,324,925 pounds this year against 77,320,221 pounds in 1937—was solely attributable to the European war scare and a dirt-cheap commodity.

Lamb Feeding Light

Winter lamb feeding will be light. Feeders stood pat for concessions; growers refused to yield ground, and won out decisively. Every winter feeding stall east of Missouri River is away short of its 1937 holding. In the western area estimates vary, but deficiency is certain. Thousands of fleshy western lambs were diverted from cornfields to the meat-rail because feeders refused to take weights from 70 to 75 pounds at prices close to what fat lambs were realizing at the time. This temporarily glutted dressed-meat market, although clearances were the rule, not a pound going into storage. Cattle and lamb feeders are in a similar frame of mind—dumping short-feds prematurely. A safe bet is that cheap gains will enable lamb feeders to recover at least some of the money they dropped last winter where it was lost. Colorado, Nebraska, and elsewhere should have a comfortable season.

AND THEY NAMED HIM "LUKE"

BY DR. A. J. HOFFMAN

ONE COLD WINTER AFTERNOON, L. C. (Luke) Brite left his big full-blooded hereford ranch which is located sum thirty-five miles south of Marfa, Texas. Tho it seldum snows in this great, "Big Bend" country, a copula inches of snow had been on the ground for sum time. As Mister Brite wuz nearin the gate leadin into his ranch, he notised a coyote slinkin along in a ravine. Frum the looks of his tummy, he surely had been havin a good feed on sumptin. Bout that time a coupla buzzards cirkled around a copula times and Mister Brite then knew that he'd better do a little investigatin. Slippin his little ole six shuter in his belt, just in case, he ambled around and soon found that one of his best range cows had done past to the spirit wurd. "Well," says Mister Brite, "that's that." He wuz jist about to leav, when he notised a little red and white spotted ball of fur huddled up under a miskeet bush near by, so walkin over to it, he found a littl boy baby calf, the son of the cow which gist past on.

Now if there's ennythin that softens the heart of theas supposedly hardened old pieneer cow men, which has spent the bulk of their summers afightin a continued fight agin the menny obstickles of nature, it's findin a pore little ole mutherless baby calf. "Well," says Mister Brite, "sumthins gotta be dun bout this, specially sine he's got the right markins." So he picks im up, raps im in his new fur overcoat and loads im in the back of his car.

He drove on to town and home. He found Mrs. Brite at home entertainin sum of her friends. Ther was Misses T. C. Crosson, Misses W. T. (Bill) Jones, Misses J. W. Espy, Misses J. B. (Capt.) Gillett, Misses Crawford Mitchell, Misses H. L. Kokernot, Misses J. D. Jackson, and Misses W. W. Turney. They wuz gist a sittin and talkin when Mister Brite driv in. He told them bout his pore little ole orfint baby boy calf. They all felt so sorrie fer the little ole feller that they decided to knit im sum winter garmint, so they all set to wurk and knitted im a little shirt, sum panties, and four little boots. Durin the knittin they decided that the little ole orfint neaded a name, so after much discussin, they finally hit on the name "Luke" (after his benny factor.)

Now "Luke" got along purty swell, livin in town and gittin three squares of Jersie milk a day and drest up in his fine woollens which kept him warm. He sune grew lots of hair on his manly chest and his mussels stuck out like that ole forgotten man's, "the village blacksmith."

About a yr. later Mister Brite desided it wuz time for "Luke" to go to the ranch, where he cood grow up in the wide open spaces and git aquainta with

reel ranch life and condishuns. The fine feed and proper care "Luke" had received, worked wunders with him. He sune grew to be an outstandin he man bull. He had menny scraps with the uther boys of his own age, specially sinz he waz frum the city, but his fine fizeke helped him to sune becom the bully of his class, however, he never fergot the kind treetment he had received when a baby, so he always came to say howdy, to Mister Brite when they met at the ranch, and grew to be true pals.

Time roled on till one day Mister Brite got a letter frum a feller named Louis Nippert, frum Cincinnati, Ohio, wantin a load of the fine Brite breedin cows and a good bull. Seems that Mister and Misses Brite had met this feller while they wuz a visitin their daughter, Misses Donald Dunkle and their gran daughters Nancy and Jane up in Cincinnati, where Major Dunkle is instructin the boys in military tackticks at the Ohio National Guard Cavalry. Mister Brite met Mister Nippert in said uttle town, so Mister Nippert asked Mister Brite how he kept frum havin to pay so much munney for income tax. Mister Brite says, "that's an easie question to anser, gist git yourself a bunch of cows." After thinking the thing over Mister Nippert, frum Cincinnati, desided to try Mister Brite's advice.

Now it gist hapened that Mister Brite wuz readin the letter at the ranch when "Luke" come up to say his usual howdy, so he coodent help seein what was in the letter. As Mister Brite was a standin a ponderin, "Luke" read his mind. Mister Brite wuz thinkin that this wood be a fine opertunity for "Luke" to further his edgocation and git further up in the wurd, by gittin to go east, where he wood have a chantz to mix and mingle with the reel blue bluded eastern society and poise.

Well this idee didnt pleaz "Luke" a bit, cauz he wanted to remane a reel, he man bull, on the wide open range, specially as they wood be cuttin his harem down bout 75%, but Mister Brite also wanted to treet Mister Nippert, frum Cincinnati, right by sendin him the best that he had, so "Luke" wuz chosen to go.

There wuz a lot of rools and regulashuns which had to be follered to git "Luke" to Cincinnati. For instanz, he had to be sanitery, so Mister Brite got the local Veterinery, Doc. Hoffman, to come out to the ranch and git a sample of "Luke's" blood to send off to the sanitary fellers to investigate. They wurked a shennannigan on pore "Luke" and got him in a chute and blocked him up to wher he coodent back out. He saw a little openin in frunt and made a dive for it, but the first thing he knew, he had stuck his head rite into a trap ole Clint Holden had set for him, for "Luke" didnt know nothin bout theas new fangleu chute gates. In uther words, "Luke" "stuck his neck out," the same as a lotta folks and even nations is doin these days, so "Luke" did gist what the folks and Na-

tions is doin, when they stick their necks out, he gist switched his tail and bellered. "Luke" still decided that he wuzunt gonna be bled to death, if he had to die, he'd die with his boots on, and, fightin. Neither did he want no ear tags stuck in his ears, he wuzzunt gonna wear no sissy ear rings. He still showed his resentment when we turned him loose, for he chased us all outa the pen. Two sharp horns a stickin on the south end of 2,000 pounds of bull of "Luke's" kalibur, makes the tuffest cow boys hunt for cover.

"Luke" still rezented the thot of goin east. If he cood have went to a herd like Charlie Collin's, up to Kit Carson, Colorado, wher he cooda kept up with the latest dope on the present poleitikal situation, specially a-la Republican, or if he cooda went to Albert Mitchell's great herds up to New Mexico, where he cooda learnt how to run for Governor er sumpthin, that wood have been diff runt—but to go east and live on a little ole match box farm, where a feller caint get a breth of fresh air; where they dont have no dust bowls; no droughts; no skrew worms; no heel flies, where a he man bull kaint ever switch his tail without knockin down a few rows of corn; where a red-blooded, red cow causes bout as much attractshun as an Indian in New York; where theres so menny Guv-mental agencees, that a feller never knows whether he dast or whether he dassent—gist didnt apeel to "Luke."

While "Luke" was thinkin theas things over, Oscar Wells, the ranch foreman, driv up in his "little red wagon" (one of the big red cattle trucks used to haul cattle now days). "Luke" always thot Oscar wuz his frend, same as Mister Brite, tho he knew that Clint Holden had dun done him wrong, so he went up to see what Oscar wuz goin to do with the little rea wagon. He got a little too clost to the little ole wagon and the first thing he knew he found hisself and a few of his harem, taken a ride in this wagon. He knew frum the lay of the land that he was headin into unfamylur pastures. He thot he was gittin loose again, when they unloaded him at the shippin pens, but sune found planks didnt give like barbd wire.

Captin J. E. Vaughan, one of Mister Brites nabours happened to be in town, so he stroled out to the shippin pens to see the Brite cattle. "Luke" reckognized Captin Vaughan as one of the fellers which has been trying for menny years to beat Mister Brite breadin cattle, so he thot he'd settel things with Captin Vaughan afore he got to be a sissy bull in the east. Well, he probably wood have setteled things, if the side of the shippin pen hadnt give way and let Captin Vaughan out.

"Luke" wuz so mad by this time and his eyes wuz so blood shot with rage, that he coodent see where he wuz goin and the next thing he knew, he round his self, along with his reduced harem, locked up in a big stock car, which wuz

moovin out away frum the ranch and toward the directshun of Cincinnati.

Mister Brite coodent help but shed a few tears, for he was sayin good-by to one of his pals. He sent the followin telegram to Mister Nippert, frum Cincinnati. "Dear Mr. Nippert, I'm sending you a mightie fine bull, but be careful how you handle him, cauz he's frum Texas."

P.S. Bout ten days later Mister Brite got the followin telegram frum Cincinnati, "Dam cold up here, please have the ladies knit me sum more boots."—(Signed) "Luke."

MEETINGS OF INTEREST TO STOCKMEN

SPEAKERS AT A MEETING OF the Modoc County (California) Cattlemen's Association, at Alturas September 24, included Hugh Baber and John Curry, president and secretary, respectively, of the California Cattlemen's Association, and Clyde Harris, head of the cattle protective service of that organization. Pete Weber was re-elected president and L. J. Fee, secretary, of the Modoc association.

Dr. H. V. Kitzmiller, of Wray, Colorado, has been elected president of the newly formed Northeastern Colorado Hereford Association. Bert L. McKenzie, of Otis, is secretary-treasurer. The organization plans to arrange two semi-annual sales of Hereford cattle. . . . Stockmen of central Texas formed the Central Texas Hereford Association in Belton on November 1, naming Charles S. Cox, Jr., of Temple, president; Hubert Martin, of Belton, secretary; Dr. J. E. Robinson, of McClellan County, and J. F. Yearwood, Sr., of Williamson County, vice-presidents. The object is to advance the live-stock industry in the area, encompassing boys' live-stock projects and community auctions, with the major objective the advancement of registered Hereford herds. . . . Officers of the reorganized Montana Hereford Breeders' Association, elected at Bozeman recently, are: President, Ralph Selkirk, Fishtail; vice-president, S. F. P. Foss, Glendive; secretary, Howard Ross, Bozeman.

Roy Turner, of Harper and Turner, Oklahoma City, Oklahoma, was elected president of the American Hereford Association at the fifty-fifth annual meeting of that group at Kansas City October 18. J. S. Bridwell, of Wichita Falls, Texas, was named vice-president. The annual report of Secretary R. J. Kinzer showed the association in the best condition of any year in its history.

The "News Letter" of the Arizona Cattle Growers' Association carries the report of William R. Bourdon, of Hol-

brook, that the Navajo County Fair and Northern Arizona Live Stock Show, held at Holbrook in September, was a financial success and successful from the standpoint of exhibits, attendance, and interest. Not only did they balance their budget, the report says, but they set aside a fine sum for the Northern Arizona Cattle Growers' Association contribution to the American National Live Stock Association. And they had some profit left over—enough to assure construction of another large building for fair exhibits and to extend cattle exhibits.

In a talk before the Wyoming-Montana Live Stock Protective Association, meeting recently at Sheridan, Wyoming, Russell Thorp, secretary and chief inspector of the Wyoming Stock Growers' Association, said: "Cattle have shown less decline in recent years than other agricultural commodities, and I am convinced the reason is that there has been less tampering with that industry in Washington."

Organized Australian wool growers are opposing an effort to shorten bathing suits one inch and to permit life guards to wear trunks instead of the one-piece suits. The secretary of the Australian Wool Board is quoted in the press: "It may seem a matter of minor importance to some people, but we are fighting hard to withstand the serious inroads of artificial fibers and where wool is really necessary they cannot accept a reduction in the amount normally used."

Officers elected at the annual meeting of the Gila County (Arizona) Cattle Growers' Association, held at the ranch of Pecos McFadden, of Globe, were: President, W. H. Spurlock, of Young; vice-president, Pecos McFadden; secretary, Stephen Bixby, of Globe; treasurer, Frank Parker, of Globe.

On October 29 more than 700 men and women attended the thirteenth annual banquet of the Greenwood County Cattlemen's Association at Eureka, Kansas. Among speakers were L. F. Reed, Eureka, and Will J. Miller, secretary of the Kansas Live Stock Association.

A cattle organization of recent origin is the Northeast Texas Cattle Raisers' Association. It embraces the Texas counties of Camp, Upshur, Titus, Morris, Wood, and Franklin. E. R. Greer, of Pittsburg, is secretary.

Incomplete report of the first annual meeting of the Oklahoma Live Stock Growers' Association held November 18 at Oklahoma City, Oklahoma, tells of increased interest in the organization since its inception on March 5, 1938. Three hundred stockmen were in attendance. Phil Lowry, of Loco, was chair-



Some of the fifty calves auctioned at the recent Yavapai County (Arizona) cattle growers' fifth annual calf sale to raise money for the American National.

man at the meeting. Among those making short talks at the first session were: Harry Blake, Pawhuska; Harry Thompson, Mill Creek; Thomas Swanson, Roosevelt; Otto Barby, Beaver; M. D. Powhatan, Vian; Grover Hill, Amarillo, Texas; Prof. Carl Thompson and Dan Arnold, Stillwater, Oklahoma; J. H. Johnson, Clarence Roberts, John R. Baker, Jeff Gilmore, A. W. Lucas, Pat Hamilton, Tom Dee, and Frank Ruge, all of Oklahoma City. Henry Price, of Waurika, is president of the association; and Fred Wilmarth, of Oklahoma City, is secretary.

* * *

Average price of \$38.10 was recorded at a beef cattle sale sponsored by the Larimer County Stock Growers' Association, held at Fort Collins, Colorado, November 19. Charles Lilley, president of the association, who also is president of the Colorado Stock Growers' and Feeders' Association, in opening the sale told of its two-fold purpose: First, the Larimer County growers were interested in seeing that 4-H Club boys had good beef calves to feed out; and, second, the association wanted to help finance the beef cattle business through the local, state, and national stock growers' associations. The plan is that the local association members donate calves for the sale. The money received from the animals is divided three ways—half to the Larimer County association, a fourth to the Colorado Stock Growers' and Feeders' Association, and a fourth to the American National Live Stock Association.

* * *

Resolutions adopted by the National Co-operative Milk Producers' Federation at its annual meeting in Cincinnati, Ohio, recently, included (1) a vote of thanks to the AAA in handling the purchase of surplus dairy commodities; (2) objection to the operations of the Trade Agreement Act as conducted, with tariffs on cream and various cheeses reduced; and (3) expression of opinion that the recent action of Congress in requiring that Bang's disease money appropriated

by the federal government be matched by state governments will "destroy or greatly diminish the effectiveness of the Bang's disease work, as many states are not financially able to match federal funds."

* * *

Legislative Committeemen and Secretary F. E. Mollin of the American National Live Stock Association conferred on November 28 with a Bang's disease committee of the United States Live Stock Sanitary Association and Dr. J. R. Mohler, chief of the Bureau of Animal Industry, in the matter of Bang's testing of range cattle. . . . The committee also met with representatives of the Bureau of Agricultural Economics, packers, and other groups to consider proposed changes in the federal grading and stamping of beef.

* * *

The problem of rising costs was the outstanding subject at the convention of the Institute of American Meat Packers, held at Chicago October 21-25, 1938. Convention chairman Frank A. Hunter, of the Hunter Packing Company, East St. Louis, Illinois, stressed this topic in his opening address to the delegates. As a way out, speakers pointed to the importance of packer cost-determining studies that would show the adjustments necessary to make operations profitable. President Hubbard Russell, of the American National Live Stock Association, was among the many speakers at the convention. His talk before the group is published in this issue of the PRODUCER.

SOME INCREASE IN CATTLE FEEDING EXPECTED

DEVELOPMENTS IN THE CATTLE feeding situation during October continued to indicate some increase in cattle feeding during the winter and spring of 1938-39 over a year earlier, according to the Bureau of Agricultural Economics report of November 1.

Enlarged operations are expected to take place in the western Corn Belt. Some decrease is probable in the eastern Corn Belt and in the total for other feeding areas. The net increases in numbers fed is expected to be moderate, the effect of abundant feed supplies at relatively low prices to be reflected more in finish than in number.

Shipments of stocker and feeder cattle through stock-yards markets into the Corn Belt states in October were about the same as in October, 1937. Total of such shipments for July through October were about 2 per cent larger than last year.

Direct in-shipments of stocker and feeder cattle not going through stock yards during September and October were considerably larger this year than last; for the four months, July through October, somewhat larger.

Shipments by classes from four leading markets for October show larger numbers this year of steers in all the weight groups above 700 pounds. Sharp reductions were recorded in numbers of steers under 700 pounds, and in feeder calves and cows and heifers. Fairly similar changes from a year earlier are shown by records from these four markets for the three months, July through September.

In the West there may be a considerable reduction in number of cattle fed. Large prospective supplies of beet pulp in many of the states, with other feedstuff generally abundant and low in price, may encourage a rather heavy movement to feed-lots in some states during November and December. It is not probable, however, that this late movement can be large enough to bring feeding operations in these states this season up to the relatively high level of a year earlier.

SMALLER CATTLE KILL SEEN BY FEDERAL EXPERTS

SLAUGHTER OF BOTH CATTLE and calves in 1939 is expected to be smaller than in 1938, with the reduction mostly in calves and breeding stock, says the Bureau of Agricultural Economics in its beef cattle outlook report. The relatively strong demand for cattle for restocking and herd expansion and the smaller number of feeder animals generally available will tend to prevent any large increase in number of cattle fed.

Average weights of cattle slaughtered are expected to be heavier and general finish higher than in the previous year, but total beef supplies for consumption probably will be somewhat smaller.

Demand for meats in 1939 is expected to be somewhat greater than in 1938. This improvement and the reduction in cattle slaughter will be price strengthening factors next year. On the other hand, the larger supplies of hogs and of all meats will be price depressing factors.

The spread between prices of the upper and lower grades of slaughter cattle probably will continue relatively narrow. Prices of slaughter cows, particularly, are likely to be maintained at a fairly high level relative to prices of other kinds of slaughter cattle.

Cattle numbers at the beginning of 1939 will be slightly larger than a year earlier. This increase is expected to be the first phase of a new cattle production cycle which, barring recurrence of serious droughts, is expected to continue for several years.

It appears unlikely that the extent of the prospective expansion will reach as high as the peak reached in early 1934 of the last cycle. Expansion will take place largely in the Great Plains states. Some expansion also probably will occur in the states east of the Mississippi River, especially if there is further diversion of land in this area from food and fiber crops to grass and hay production.

Expansion in cattle numbers will be accomplished largely by holding cattle from slaughter, which, for the next few years, will result in decreasing slaughter supplies of cattle and calves from recent levels. The trend in hog slaughter and in total meat supplies during the period of increasing cattle numbers is expected to be upward regardless of a reduction in cattle slaughtered. The increase in total meat production is expected to result in a downward trend in cattle prices in the next few years even though slaughter of cattle should be reduced, unless accompanied by rather marked improvement in consumer demand for meats.

There seems little reason, therefore, to expect that the cattle situation over a period of years will be improved by reducing slaughter for several years in order to build up numbers that will permit a yearly slaughter output materially larger than the present.

BRIEF SUMMARY OF FEDERAL OUTLOOK REPORTS

A CONDENSED SUMMARY OF THE various outlook reports of the Bureau of Agricultural Economics is given below.

Demand for agricultural products in general is expected to be more favorable in 1939 than in 1938, due to industrial improvement, even though less favorable prospects for domestic outlet exists. It is predicted that a slight rise in prices of farm products as a whole may occur and that the disparity between prices received and prices paid by farmers may be reduced.

The wheat acreage will be reduced. AAA allotment calls for 55,000,000 acres for 1939, compared with 81,000,000 acres seeded for the 1938 crop. Export prospects are seen as less favorable. Wheat

acreage for the 1939-40 harvests in the rest of the world is not likely to be decreased.

The hay crop of 92,000,000 tons is the largest in ten years. The 1937 crop was 83,000,000 tons. This year's crop, together with last spring's farm carryover, makes the second largest seasonal supply per animal unit in twenty-six years of record. The alfalfa hay crop is the largest on record. Protein feeds are about 13 per cent lower. The smaller corn crop is offset by a larger carryover. The live-stock feed price ratio is expected to be favorable. The number of grain-consuming animals on January 1, 1939, is expected to be about 8 per cent below the average of 1928-32.

Sheep numbers will increase for the next few years, it is believed. With favorable range and weather, some increase is indicated for the West. Likewise favorable feed conditions and shifts from food and fiber crops to feed crops may mean further increase in the native sheep states and in Texas. There will be increased wool production. Lambs are expected to benefit in price from increased meat demands of 1939, and the price of wool and pelts is believed to be heading higher. Prospect for increased automobile production may result in more favorable demand for mohair.

Hog slaughter will be larger than last year and the largest since 1933-34. The 1938 pig crop is about 12 per cent larger than last year. Average weights of hogs marketed will continue relatively heavy. The number of pigs raised in 1940 may increase to the level of the five years before the 1934 drought. Both domestic and foreign demand for hog product may be a little stronger.

Horses and mules are expected to continue the trend downward in number for several years more. Prices reached the highest peak in seventeen years during 1937, but the recent price level shows a decrease. When related to farm products prices, however, prices of horses and mules were higher in the first eight months of 1938 than at any time since 1916.

Improvement in milk and butter prices in the next few years will depend on further recovery in business and a rise in the general level of prices. The long-time outlook is for comparatively large milk production and increasing cow numbers.

It is believed that farmers will use more short-term credit in 1939. Loans available through the Commodity Credit Corporation on cotton, corn, and wheat; the carryover of substantial debt by cotton, wheat, and vegetable growers; and a broader demand for live-stock financing are cited as factors pointing to the increase. Ample short-term credit will be available, it is stated. Demand for farm mortgage credit will be small.

Farm income is expected to be higher in 1939 than in 1938 and production costs should remain about at the 1938 level.

"General economic conditions in the United States are mostly favorable to recovery, with the one exception of a relatively weak commodity price situation," the forecasts state, adding that "increased net contributions of the federal government to total purchasing power will serve as an important stimulus to business in 1939."

CROP PROSPECTS

Prospects for the principal crops on November 1 were (000 omitted):

	1938 (Preliminary)	1937 (Production)
Corn (bu.)	2,480,958	2,644,995
Winter Wheat (bu.)	688,458	685,102
Spring Wheat (bu.)	251,771	188,891
Oats (bu.)	1,041,577	1,146,258
Barley (bu.)	252,578	219,635
Rye (bu.)	52,500	49,449
Grain Sorghums (bu.)	107,007	97,097
Tame Hay (tons)	81,786	73,785
Wild Hay (tons)	10,490	9,302
Potatoes (bu.)	368,203	393,946
Cotton (bales)	12,137	18,946

Calendar

- Dec. 8-9—Convention Texas Sheep and Goat Raisers' Ass'n, San Antonio.
- Dec. 9-10—Convention California Cattlemen's Ass'n, San Francisco.
- Jan. 16-18—Convention Montana Wool Growers' Ass'n, Butte.
- Jan. 24-26—Convention National Wool Growers' Ass'n, San Angelo, Tex.
- Jan. 28-Feb. 4—National Western Stock Show, Denver.
- Feb. 7-14—Ogden Live Stock Show, Ogden, Utah.
- Feb. 15-17—Convention American National Live Stock Ass'n, San Francisco.
- Feb. 18-28—Golden Gate International Exposition Beef Cattle Show, San Francisco.
- Feb. 18-22—Southwestern Live Stock and Agricultural Show, El Paso, Tex.
- Feb. 23-25—Southwest Texas Boys' Fat Stock Show, San Antonio.
- Feb. 25-Mar. 5—Houston Fat Stock Show, Houston, Tex.
- Mar. 1-3—Convention Kansas Live Stock Ass'n, Wichita.
- Mar. 3-6—San Angelo Fat Stock Show, San Angelo, Tex.
- Mar. 3-10—Tucson Live Stock Show, Tucson, Ariz.
- Mar. 6-9—Amarillo Fat Stock Show, Amarillo, Tex.
- Mar. 6-9—Convention Panhandle Live Stock Ass'n, Amarillo, Tex.
- Mar. 10-19—Southwestern Exposition and Fat Stock Show, Ft. Worth, Tex.
- Mar. 21-23—Convention Texas and Southwestern Cattle Raisers' Ass'n, Houston.

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THE LONG-AWAITED PACTS

ANNOUNCEMENT UPON SIGNATURE of the British and Canadian trade agreements that the Canadian agreement makes further reduction in the tariff on cattle and large increases in quotas, while the British agreement fails to offset these with any substantial benefits to the live-stock industry comes as a shock to live-stock producers of the country.

The fact that announcement was deferred until after election was considered ominous, but it is amazing, and almost unbelievable, that there is little concession on pork products, the one item which it had been heralded far and wide would benefit its producers in a degree sufficient to offset further sacrifices to be demanded of other branches of agriculture. True, the 10 per cent English duty on lard was removed, and the quota on hams increased from the present variable one of 47,000,000 to 49,000,000 pounds to 56,000,000 pounds. These are the only concessions of major importance to American live-stock producers.

The duty on cattle weighing more than 700 pounds was reduced from 2 to 1½ cents, the lowest figure at which it could have been placed under the law. The quota was increased from slightly less than 156,000 head to 225,000 head, with a proviso that not more than 60,000 head could come in during any quarter year. This limitation, with the large increase in quota, is now practically valueless.

This makes the rate on cattle of the heaviest class one-half cent per pound lower than that existing prior to the enactment of the Smoot-Hawley Tariff Act in 1930. The quota of 20,000 head on dairy cows, established in the original Canadian agreement, is lifted entirely. Perhaps, in view of the fact that the

storage stocks of butter in this country on October 1, 1938, had reached the stupendous total of more than 210,000,000 pounds—far the highest on record—it was felt important to facilitate the importation of additional dairy cows. By way of good measure, the tariff on cream, reduced in the original agreement with Canada to 35 cents per gallon, was again reduced to 28.3 cents per gallon, while the tariff on whole milk, originally untouched, is now reduced from 6½ cents per gallon to 3¼ cents per gallon and further reductions are made on certain types of cheese. The quota on calves is increased from slightly less than 52,000 head to 100,000 head, and the weight limit raised from 175 to 200 pounds (no duty change). The benefits granted above are generalized to the world at large, and Mexico, which country has granted no favors at all by way of return but instead has confiscated property belonging to American ranchers and other American investors, will receive the principal benefit aside from Canada.

During the current year the existing quota on cattle has not been filled, because Great Britain has been building up tremendous war supplies and has taken a major part of Canada's surplus. Recently, however, a spurt in Canadian exports to this country would indicate that the English outlet is narrowing and we can expect in the late winter and spring of 1939 a repetition of the situation that existed three years ago, after the enactment of the first Canadian agreement, when large supplies from Canada were dumped on the American market in a short period of time and substantially lowered prices in this country.

The specific thing which the additional lowering of ½ cent per pound in the duty on heavy cattle accomplishes is to make it possible for Canadian cattle to enter our market on a price basis ½ cent per pound lower than under the existing arrangement. It is an injustice to the feeders of the Corn Belt, who have filled their feed-lots on a basis of existing conditions, with no intimation that they were to be subjected to additional competition at a lower price level but instead with many assurances of great benefits to come under the British agreement. Now they find that they will have added competition when their cattle are fat and that they will have little additional outlet for their surplus pork as promised.

The new agreement with Canada reveals strikingly the method in which trade agreements are written. They are the joint product of the State Department and of the officials of the foreign country involved, working closely together. American producers are entirely "foreign" to the discussions. In the case of the Canadian agreement it is doubtful if Canadian cattlemen desired any greater concessions than were granted. In other words, they probably got all they wanted. It seems that the hearing before the Committee for Reciprocity Informa-

tion, held last April, at which representatives of the American live-stock industry entered vigorous protest against further duty reductions, was only a farce. They might just as well have made their protest to seven sticks as to the committee mentioned, which evidently has nothing to do with writing the trade agreements.

There is one thing for which the live-stock industry can be thankful, and that is that it has taken Secretary Hull six years to get his well-known free trade policies in full operation. It is needless to say that when Congress obediently passed the Reciprocal Trade Act in 1934 it did not dream of such a use as is now being made of the powers granted and that, had the Senate reserved to itself, as it should have done, the right to review all treaties made, the Canadian trade agreement just signed would not even have received serious consideration.

The American live-stock industry has been sold down the river once more. The benefits which were supposed to compensate are not there. Slight concessions on hams and lard and trivial reductions in duties on minor products such as fruit and vegetables are granted, and the live-stock producer, subjected to further serious competition at lower price levels, is expected to rejoice because somewhere in Canada or England an additional American lemon or a stalk of asparagus has been placed.

NEW TAYLOR GRAZING CHIEF

STOCKMEN WILL VIEW WITH mixed emotions the forced resignation of Farrington R. Carpenter as director of grazing for the Taylor Grazing Administration. It will be generally recognized that a great injustice has been done, and the excuse given that this was the first step in a purge following election is unworthy of Secretary of the Interior Ickes.

It has been known for some time that Mr. Carpenter did not stand well with the secretary. The principal trouble was that he was not a bureaucrat. He came in fresh from the country—aggressive and anxious to put the job over quick. He was unaccustomed to the maze of red tape with which every government move is bound. Few will question the fact that he performed a great job of organizing. It is doubtless true that his particular style was that of the organizer. But he has not been given an opportunity to demonstrate, once the organization job was done, his ability to administer the set-up.

His successor, Richard H. Rutledge, is well and favorably known to stockmen throughout much of the West, particularly in the northern section of the country. He has had long experience with the Forest Service, and, because of that experience, will probably fit into the bureaucratic plan of management better than did Mr. Carpenter.

Stockmen will welcome him in preference to a dyed-in-the-wool Washington bureaucrat, who would not know the first thing about the practical aspects of the job which is to be done.

The real test will come, and the true significance of the change will be demonstrated, when it is learned what the attitude of the department under the new management is to be relative to the local advisory committees. They were Mr. Carpenter's pride and joy. To them were given substantial powers. They are, almost without exception, the leading stockmen of the communities they serve.

Stockmen can recall what happened in the Forest Service years ago when it sheared its local advisory committees of the power delegated to them and relegated them to a state of disuse.

It will be interesting to see whether there is any change in the status of the local advisory boards, or whether they continue to function as in the past.

FOOT-AND-MOUTH DISEASE

EXTREME MEASURES ARE needed against foot-and-mouth disease. Those charged with safeguarding the health of American live stock have long realized that. They know they must employ every possible safeguard. They know that a disease-tight embargo is necessary.

The Argentine sanitary convention was a challenge to this attitude. The pact proposed weakening our embargo against the disease. Stockmen fought the measure hard.

If proof be needed of the soundness of the stockman's stand, it is found in abundance in Europe's experience. There the disease still runs its devastating course. Concerning it, the *International Review of Agriculture* (Rome) says:

"In Belgium, Great Britain, and Switzerland the decline has been fairly slow, with the constant appearance of new foci. There was a fresh outbreak of the disease in France in May and June, following on a period of decline during the opening months of the year. Since our previous article, a considerable increase has been reported in the number of foci from Germany, Poland, and Czechoslovakia; and the contagion reached Austria, Hungary, Sweden, Portugal, and the Free City of Danzig, which had until then been fairly free from the disease. As a result of the very strict measures adopted in Denmark, foot-and-mouth disease has been kept within narrow limits in that country. The infection appears to be on the decline in Italy; in Yugoslavia, although the disease had disappeared for a few months, fresh centers of infection have now been reported."

Other reports from Europe show an increasing number of countries adopting the policy that the United States has used in outbreaks in the past—

that of slaughtering the diseased animals. Costly as that measure is, England has used it on thousands of cattle. Sweden slaughtered animals to stamp out its outbreaks. Denmark has adopted that method of controlling the disease, and perhaps other nations.

Here is further evidence—in this wider use of the slaughter method of combat—of a growing realization that the disease will permit of no half-way measures.

THE NEW FOREST POLICY

AFTER SEVERAL YEARS' NEGOTIATION between representatives of the American National Live Stock Association and the National Wool Growers' Association and representatives of the Forest Service there emerged at a conference at Denver last July a promising Forest Service policy dealing with limits and grazing preferences. The proposal suggested three limits: A lower limit to fix live-stock numbers up to which dependent commensurate preferences may accrue by grant; an upper limit to fix numbers up to which dependent commensurate preferences may be consolidated through purchase with waiver; and a possible special limit to fix numbers at which an existing dependent commensurate preference will be given certain defined protection against reductions for distribution, for use where upper limit is too low to afford desirable protection to existing preferences.

However, there remained after the conference the question of determination of limits, which could be ironed out only in meetings of local forest men and live-stock groups. Several such meetings have been held.

If the new policy is to be tried out next year, all the meetings ought to be held and the whole matter turned over to the chief forester for his conformation. In some areas the unsettled question of limit levels is of great concern, and such progress as has apparently been made toward clarification of the problem should be continued.

THE COMING CONVENTION

JANUARY HAS BEEN THE CONVENTION month of the American National Live Stock Association for so many years that some stockmen are simply assuming that the coming convention will be held in January and are going ahead with their winter-trip plans accordingly.

The meeting dates, however, are in February—February 15-17. The reason we have pushed the dates ahead a month is so that you can get in on three big events in San Francisco all in one trip: (1) The forty-second annual convention of the American National Live Stock Association, (2) the Golden Gate International Exposition starting on February 18, and (3) the

exposition's Beef Cattle Show on Treasure Island, the opening display of more than a dozen live-stock shows, starting on February 18.

The next issue of the PRODUCER will contain our regular "Call for Convention," in which will be set forth some of the important problems that will be considered at the meeting and a preliminary outline of the convention program. You will be advised as to railroad rates, hotel accommodations, etc.

For the present, we can say that all stockmen are cordially invited to attend, and that you will be assured of an interesting convention and stock show and exposition. It might be a good idea to make your reservation right now. The dates: February 15-17. Headquarters: San Francisco's Palace Hotel.

THE COVER PICTURE

THE PRODUCER COMES OUT THIS month with the first of a series of C. J. Belden pictures on its cover. Stockmen everywhere know the work of this famous photographer. He shows the West in all its glory, and he gives a true and interesting picture of its ranch life. He is a recognized master in this art. More Belden pictures will adorn PRODUCER covers in months to come. We are happy to have the opportunity of reproducing them.

Mr. Belden is a Wyoming cattleman. He operates the Pitchfork Ranch at Pitchfork, located along the edge of the Shoshone National Forest—and there is where he takes most of the "shots" that are the pride of the West.

REMOVING A HIDE SURPLUS

SEVERAL WEEKS AGO THE GOVERNMENT sold 107,000 hides. They were the last of a sizeable stock of hides acquired in the federal drought cattle purchase program in 1934. The sale spells finis to a good job of getting rid of what might have been a bad drag on hide values.

Back in 1934 the federal hide holding seemed to present quite a problem. Any day, many feared, the government might dump the lot and topple the market. It was a surplus commodity situation that needed a way out.

Several solutions were suggested. Officials chose the sensible scheme of selling the hides in small bundles. They assured the industry that there would be no dumping, that disposition would be made in such a way as not to affect prices. They eased the hides into the market whenever they could, but always, like the last lot, in relatively small bunches, never enough to cause serious disturbance in prices.

They have done a good job in a sound, businesslike manner. The industry appreciates it.

WASHINGTON

WASHINGTON NOTES

STOCKMEN OF THE WEST WERE glad to learn that the all too small delegation of real cowmen in Congress has been increased by one in the election of Frank O. Horton to represent Wyoming in the lower house. He has been engaged in the cattle business for many years and is widely and favorably known in Wyoming and other near-by states. Fortunately all three of the existing cattle delegations—Coffee, of Nebraska; Ferguson, of Oklahoma; and Kleberg, of Texas—were re-elected. Horton is a Republican; Coffee, Ferguson, and Kleberg are Democrats.

Payments made to ranchmen in the western states who participated in the 1937 AAA range program total \$8,123,701. More than half the amount went to Texas, ranchmen in that state receiving \$4,154,000. New Mexico stands second in the amount received, with \$793,284. South Dakota is a close third with \$726,527. Payments (the amounts representing net payments and not including administrative costs) were as follows:

Arizona	\$ 244,492
California	249,318
Colorado	174,130
Idaho	29,142
Kansas	131,714
Montana	366,035
Nebraska	312,638
Nevada	19,266
New Mexico	793,284
North Dakota	60,771
Oklahoma	245,000
Oregon	153,981
South Dakota	726,527
Texas	4,154,000
Utah	14,459
Washington	45,422
Wyoming	403,522

The Department of Agriculture has already announced that in nearly fifty areas in the seventeen western states money may be loaned at 3 per cent to small ranchers and farmers for developing such water supplies as ponds, wells, springs, stock water tanks, and small irrigation systems. In developing these water resources the emphasis is on "small." Most of the projects are expected to take \$2,000 or less. The loans may extend for the life of the structure but in no case more than twenty years. The areas are selected in co-operation with county planning committees and state agricultural advisory councils.

The chief group exempted under the new wage-and-hour law is farm labor. The law's provisions in brief, as applying to an estimated 11,000,000 workers, are: (1) Minimum wage of 25 cents an hour, to be stepped up in the course

of six years to 40 cents. (2) Maximum work week of forty-four hours, with forty the limit after three years. (3) Prohibition of employment of children under sixteen, except in cases other than manufacturing or mining where the work will not interfere with schooling and health, and prohibition of "hazardous" employment of youngsters between sixteen and eighteen. Partially or wholly exempt are seasonal industries, agriculture, executives, professionals, learners, apprentices, handicapped workers, seamen, and workers in industries regulated by the Interstate Commerce Commission.

AAA Farm plans for 1939: To farmers who co-operate in reducing acreages and building soils in 1939, the government plans to pay a minimum bounty of 3.6 cents a pound on cotton, 14 cents a bushel on corn, 27 cents a bushel on wheat, 22 cents on rice, and 3 cents on potatoes, \$3 a ton on peanuts, and from .8 to 1½ cents on tobacco. For the coming year the AAA has set a limit on wheat growing of between 55,000,000 and 60,000,000 acres. Farmers will be asked to hold corn plantings to between 94,000,000 and 97,000,000 acres and cotton to between 27,000,000 and 29,000,000. Acreage allotments will be set up for the first time for commercial vegetable producing areas.

Richard H. Rutledge, of Ogden, Utah, new director of grazing under the Taylor Grazing Act, has taken the place of Farrington R. Carpenter, of Hayden,

Colorado. Mr. Rutledge has been in charge of the intermountain region of the Forest Service for the past eighteen years. His public school education was in the West. He attended the University of Idaho. Prior to 1905 he was a teacher in public schools and engaged in stock raising and farming. He served as forest ranger, was forest supervisor, then district forester before he became regional forester. His predecessor, Mr. Carpenter, leaves the division of grazing to re-enter private life.

The first product slated to come in under Secretary Wallace's two-price plan—one price for the low-income class, another for the "upper two-thirds"—is cotton. The secretary placed milk and fruits next in line on the experimental list of commodities. The purpose of the plan is to help farmers by reducing heavy surpluses and to aid small-income people by supplying them with cheap goods.

Applications from wheat growers for "all-risk" crop insurance on their 1939 harvest totaled 215,110 on November 4, the Federal Crop Insurance Corporation has announced. Under the program, wheat growers may obtain insurance for a substantial part of their yields against unavoidable hazards such as weather, insects, and fire.

The corn loan rate on 1938 corn has been set at 57 cents a bushel, available to farmers in the commercial corn area. Loans to growers outside the commercial area will be at the rate of 40 cents a bushel to those who did not overplant their acreage allotment. Non-co-operators will be ineligible.

CATTLE, MEAT, AND WOOL IMPORTS AND MEAT EXPORTS

	January 1938	to September 1937
CATTLE IMPORTS FROM CANADA—		
Over 700 pounds.....	44,601	149,734
175-700 pounds.....	4,727	34,778
Under 175 pounds.....	38,718	75,094
Breeding	6,434	7,885
Total	94,480	267,491
CATTLE IMPORTS FROM MEXICO—		
Over 700 pounds.....	29,850	24,501
175-700 pounds.....	175,437	151,793
Under 175 pounds.....	1,873	1,259
Breeding	281	692
Total	207,441	178,245
CATTLE IMPORTS FROM OTHER COUNTRIES—		
Grand Total.....	717	1,118
MEAT IMPORTS—		
Beef, Canned (lbs.).....	58,400,564	70,328,004
Total Beef and Veal (lbs.).....	61,027,477	75,410,055
Total Pork (lbs.).....	40,810,839	58,539,362
MEAT EXPORTS—		
Total Beef and Veal (lbs.).....	9,759,360	10,080,782
Total Pork (lbs.).....	69,246,741	43,480,501
Lard (lbs.).....	148,324,925	77,320,221
WOOL IMPORTS—		
Clothing and Combing (lbs.).....	10,325,621	117,690,808
Carpet (lbs.).....	43,057,615	174,595,109

TRAFFIC

TRANSPORTATION NOTES

THE 85 PER CENT RATE BASIS on stocker and feeder live stock on business forwarded from originating stations west of the Mississippi River to practically all points east of the Indiana-Illinois state line, in addition to 135 points in Illinois, was canceled on November 1. The basis will not be applicable on the original move to other stations in Illinois until after the animals have been fed for more than thirty days and less than one year, the regular fat-cattle rate being collectible on delivery to the consignee, with the provision that if, after fattening, the stock is forwarded by rail, then the feeder can secure a refund of the inbound rate to the 85 per cent basis.

* * *

Railroad executives acceded to the decision of President Roosevelt's fact-finding board and abandoned plans to cut wages 15 per cent. The board, in recommending the wage-cut-withdrawal notices, gave as the reason the fact that railway labor wages are comparatively not high; a general reduction would not meet the emergency of the industry, since the saving would not be distributed merely to needy roads; a reduction would run counter to the trend of wage rates generally; the financial distress of the carriers is as yet a short-term situation and cannot be regarded as grounds for wage reduction, especially in view of indication of improvement in business. A board now has been named to draft a broad legislative program for rehabilitation of the railroad industry for submission in the next Congress. The board is composed of three railroad officials and three labor executives.

* * *

Two recent Interstate Commerce Commission orders specify institution of proceedings "to determine the extent of the Commission's jurisdiction under the hours of service of employees, other than drivers, of motor carriers, including private carriers" and "to establish for private carriers of property by motor vehicle engaged in interstate or foreign commerce, if need therefore is found, reasonable requirements with respect to qualifications and maximum hours of service of employees in safety of operation and equipment."

* * *

Special motor vehicle taxes paid by highway users have increased more than 700 per cent in fifteen years, it is shown in a study by the National Highway Users' Conference. Per-vehicle payment of special motor taxes jumped from \$12.22 in 1921 to \$48.15 in 1936, the most recent year for which official figures are available. The average special

taxes paid by the various classes of motor vehicles were: passenger cars, \$38.78; privately owned and operated trucks, \$80.83; contract carrier trucks, \$161.66; common carrier trucks, \$242.49; and common carrier buses, \$785.22.

* * *

Revenue freight carried by the railroads in 1929 measured 450,000,000,000 ton miles. In 1937 this was 363,000,000,000, or a shrinkage of 87,000,000,000 ton miles. In the same period trucks gained 11,000,000,000 ton miles. All transportation agencies, including waterways and pipe lines, experienced a decline of about 62,000,000,000 ton miles in the 1929-37 period.

* * *

Railroads' proposal to increase by 100 per cent the requirements prescribed by the Bureau of Animal Industry for minimum feed to be given live stock when unloading in compliance with the twenty-eight-hour law has, after negotiations with American National Live Stock Association, National Wool Growers' Association, and other organizations, been withdrawn.

MANY WITNESSES ON HAND IN 85 PER CENT RATE CASE

LIVE-STOCK PRODUCERS FROM many states have testified at the various hearings recently held, particularly at Salt Lake City, Fort Worth, and Kansas City, in defense of the 85 per cent stocker and feeder rate. (See November PRODUCER, page 21.)

Among the witnesses who have appeared for the industry were: J. C. Jamieson, of Arizona; John Curry, E. J. Forman, Hubbard Russell, and L. H. Stewart, of California; Charles E. Collins, of Colorado; James G. Bruce, M. C. Claar, S. W. McClure, R. C. Rich, and E. F. Rinehart, of Idaho; C. W. Floyd, Will J. Miller, and Jim Tod, of Kansas; R. P. Manhkin and Joe Metlen, of Montana; E. L. Burke, Jr., and Otto Reich, Nebraska; George Ogilvie, W. H. Walker, and William B. Wright, of Nevada; Con Jackson, New Mexico; H. A. Cohn, of Oregon; G. H. Cunningham, Tom East, Geo. Jones, E. S. Mayer, J. C. Peyton, J. T. Sneed, and Chancellor Weymouth, of Texas; Reed Culp, Walter Dansie, James Hooper, and M. H. Sanderson, of Utah; Will M. Lynn and John Reed, of Wyoming.

Representing the Texas Live Stock Marketing Association was Dick Arnett. F. E. Mollin, secretary of the American National Live Stock Association, was a witness.

In addition to the witnesses named, Jesse Greenleaf, president of the Kansas Live Stock Association, conducted the examination of the Kansas witnesses

and did an excellent job of developing facts relative to the situation in that territory.

The following witnesses also appeared at the Kansas City hearing: Kenneth Kline, Fred J. Bowen, William Ljungdahl, Hans E. Regier, Fred G. Laptad, E. C. Kilehorn, and Chester W. Davis.

Charles E. Blaine, of Phoenix, represented the American National Live Stock Association and the National Wool Growers' Association. Charles A. Stewart, of Fort Worth, represented the Live Stock Traffic Association of Texas, the Texas and Southwestern Cattle Raisers' Association, the Texas Sheep and Goat Raisers' Association, and the Highland Hereford Breeders' Association. Lee J. Quasey, of Chicago, acted for the National Live Stock Marketing Association. These men have been main counsel for producer interests. They have been ably assisted by various state commissions.

Among the witnesses appearing at the Chicago hearings, the last of which has just been concluded, were: O. B. Ellis, Dr. T. W. Happle, W. A. McClintock, and J. O. Peterson, of Iowa; D. L. Kelly, of South Dakota; C. F. Claflin, W. F. Ehmann, R. E. Fisher, and L. F. Hubbard, of Wisconsin.

Representatives of packers supporting the producers case were: W. A. Netsch, of Armour and Company; B. E. Reed, of Cudahy Packing Company; G. E. Putnam, of Swift and Company; and Howard C. Greer, of the Institute of American Meat Packers.

FEDERAL REPORT INDICATES FEWER LAMBS TO BE FED

THE NUMBER OF LAMBS FED during the 1938-39 feeding season will be smaller than the large number fed in the 1937-38 season, reports the Bureau of Agricultural Economics. The number, however, will probably be at least as large as in any of the four seasons prior to 1937-38.

Feeding is expected to be reduced in both the Corn Belt and in the western feeding states. The decrease in the Corn Belt will probably be largely, if not wholly, in the area east of the Mississippi River, present indications being that in the area west of the river the number will be about the same as a year ago.

Shipments of feeder lambs and sheep from stock-yards markets into Corn Belt states in October were somewhat larger this year than last, with most of the increase in the western Corn belt. For the four months, July through October, shipments are estimated at about 6 per cent smaller than last. Direct movement (not going through stock-yards markets) to the end of October is shown to have been smaller than last year.

Lamb feeding operations in the West will be on a smaller scale than last season in nearly all the states.

AMERICAN CATTLE PRODUCER

MARKETS

AN UNPRECEDENTED FEED SITUATION

BY JAMES E. POOLE

FORTUITOUS CIRCUMSTANCE obfuscates the agricultural prospect, including live stock. Confusion unprecedented confounds the situation. Various influences, physical and human, share responsibility. Involvement of deranged industrial conditions will not be disputed. Scrapping but voracious laborites and interference by alphabetical soup government agencies with crackpot schemes, however well intentioned, have aggravated turmoil. Conflicting outlook from financial, commercial, industrial, agricultural, and official sources—some of it credible, in part the apotheosis of nonsense—keeps the public wondering just where it is at. Bewildering propaganda coagulates on the printed page—a popular avenue for dispensing conflicting pseudo-economics—agitating the ambient atmosphere. Chin dysentery, epidemic if not endemic, runs riot with the day-round of the clock.

Reverting to agriculture, an unbalanced condition has developed. Actually it is operating to the distinct advantage of live-stock growers and feeders who hold the big end of the stick. Croppers—grain, cotton, and otherwise—are squawking, clamoring for additional manna, if not more New Deal novelties. A kaleidoscopic New Deal agriculturally is charting a course in the direction of a 'steenth phase after running the gamut of intervening numerology.

Growers Profiting

Live-stock growers, especially cattle and sheep, are profiting by a cheap board bill in the feed-lot. Otherwise, stock cattle would have changed hands during the recent replacement season at least \$1 to \$1.50 per cwt. lower; feeding lambs would have earned \$1 less. As it happened, both species pilgrimaged from pasture to finishing areas at the narrowest spread in trade history. Obviously it is an unbalanced condition. Responsibility is chargeable mainly to Dame Nature, which reduced western breeding herds through a long drought, then swelled crop production, incidentally ignoring puny official effort to regulate meat making through the corn crib—a fallacy now in the demonstration stage. Cattle and sheep growers have banked their small change; feeders are hopeful but far from sanguine, as to the outcome of their part of the operation in a financial sense.

The AAA corps of economists, rain-bow chasers, and Messianic experts is dumfounded, although simulating indifference and attributing its vicissitude to agrarian recalcitrancy. A ray of hope recently appearing on murky AAA

horizon is a second outbreak of corn-borer pest in central Indiana, likely to spread, especially if the scandals generated by previous appearance due to brawls between federal and state exterminators are repeated. Credit must be given the AAA boys for doing the best they knew how. Inevitably they collided with antagonistic forces, acquiring strength as a result of the 1937 corn acreage allotment which crushed individual toes until the process hurt. AAA grievances, voiced by Secretary Wallace, are reasonable, as the bounty grabbers, in whose integrity they confided, reneged when called on to furnish the *quid pro quo*.

Switched to Corn

Rank guessing as to the outcome of the 1938 corn crop may be overlooked with the assertion that a private estimate is as reliable as one emanating from official sources. In the finality of this speculation a government figure at 2,480,958,000 bushels is acceptable. It compares with 2,644,995,000 bushels produced last year. Other feedstuffs must be reckoned with, however. Grain sorghums, small grains, and soy beans, not to speak of domestic and imported molasses, aggravate the feed disposal problem. Far less corn went into silos, which are now receptacles for alfalfa and other roughage treated with molasses. Outside the crop restriction area an enormous corn acreage was planted, on the theory that curtailment insured a short crop. Contention that the South and East did not expand corn acreage is easily disproved. Corn production stimulation is emphatic in the Virginias, North Carolina, Georgia, Alabama, Mississippi, Arkansas, and Louisiana. A Chicago man, driving recently from Pensacola, Florida, says he was never out of sight of a cornfield on the journey. Everywhere corn can be matured the switch to that crop is indisputable.

An acute situation developed when an embarrassed AAA was recently confronted with an emergency—a logical result of the gamble—on the bull side, on 1937 grain. Speculation of that nature invariably involves interment of a corpse, and such funerals are expensive. In this instance Uncle Sam footed actual mortuary expense, but the kick-back swatted the corn market in the vicinity of its solar plexus. As "government" corn, as it is popularly known, was dislodged, glutting terminal elevator capacity, prices slumped, country quotations dropping to 30 to 35 cents, which enabled feeders to stock up at bargain rates. But for dumping government-owned corn, that debacle would have been avoided, but no alternative existed, as farm crib space was needed to house the new crop. On-paper borrowers profited, but at heavy loss to the public

treasury and themselves thru new crop depreciation, although a new loan at 57 cents broke the fall in their case. This loan, however, merely sets the stage for a similar play a year hence, unless a drought, the corn-borer, or some other unforeseen disaster happens along. [Except for the government loan, it would seem that much of the corn would have been absorbed during the season.—Ed.]

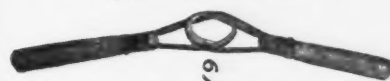
Utilization Is Problem

As it is, the whole country east of the Mississippi reeks with superfluous animal feed, and a large 1939 corn acreage impends. The 57-cent government loan, intended as an emollient, is operating as a resentment-arousing irritant, as only a minority is eligible to federal bounties. The 1938 corn crop, probably somewhat smaller than the last, is handicapped by a heavy carryover. L. J. Norton, economist of the University of Illinois, in an interpretation of the feed problem, estimates the new crop and the carryover at 2,811,000,000 bushels, or 100,000,000 in excess of a year ago. "What will happen to utilization during the coming year?" he asks.

And that's the problem. Washington admits that cattle feeding is but slightly in excess of a year ago, claims an increase of 12 per cent in hogs, and concedes a decrease in lambs. To make the situation less favorable from a disappearance standpoint, superb weather reduced corn consumption up to mid-November materially compared with last year, and there is a pronounced disposition to cash all live stock—cattle, hogs, and lambs—at deficient weight and condition. Norton figures feed-lot and farm consumption at 2,100,000,000 bushels—a liberal estimate; total domestic use, 2,328,000,000 bushels; and possible exports, 84,000,000 bushels—also a generous guess. This leaves a theoretical guess of a carryover at the end of 1939 of 400,000,000 bushels, or 50,000,000 bushels more than this year.

Establishment of a balance between

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feed and live stock in the light of this is doubtful. The bovine population cannot be enlarged rapidly, a 25 per cent increase in hogs is possible, and the ovine arm of the industry is already overworked, based on consumptive requirements. As corn growers are openly flaunting the AAA corn restriction program by refusing to reduce acreage, using higher yielding strains, and resorting to fertilization, the prospect is ominous. Distillers, advertised as potential corn users during the prohibition period, are resorting to substitutes, importing 388,000,000 gallons of molasses last year, largely for that purpose.

Production Expanded

That 1938 corn acreage and production was actually expanded by the restriction program is not open to dispute. Abandoning bounty rights, thousands planted a larger acreage than under normal conditions, on the theory that restriction insured a short crop at higher prices. They construe the 57-cent corn loan this year as an official rebuke—also an invitation to get in line.

All this portends continuance of low live-stock grain cost. Sufficient sealing materially to affect price is impossible; every bushel sealed threatens necessity for another corpse interment. This may become a regular occurrence, repetitious as a traffic light, unless Uncle Sam creates sufficient elevator storage capacity to accommodate an increasing surplus, for which cotton furnishes a precedent.

Southern corn may be a menace to the fall and winter price of the crop, as it cannot be stored for any considerable time owing to weevil. Unless an export outlet is provided, this corn must be sent to northern elevators, incidentally swelling visible supply. Every factor entering into the equation is adverse to Corn Belt farmers.

Furore in Soy Beans

Expanding soy-bean production, a veritable furore, displaces corn, especially at the feed bunker. A record crop was grown this year in the face of heavy supplies of competing commodities such as cottonseed, flaxseed, and imported tapioca and cassava root. Henry Ford's promise to construct motors, houses, and bridges with soy beans has not been made good; neither has his synthetic cow, advertised to put the dairyman out of business.

Establishing a balance between live stock and crop production is a problem confronting those controlling the franchise. Purchasing crop surpluses promises to land them in the bog in which Hoover's farm board landed. The alternative is restricting production—plowing it under—a policy likely to generate agrarian rebellion, the fact that only about 300,000,000 bushels of corn are loan-eligible this year reflecting deflection from the plan by former co-operators, either resentful or skeptical.

Meanwhile cheap feed renders the

strategic position of commercial cattle growers impregnable, at least until another surplus has been created. Between hybrid corn, corn substitutes, fertilization, and mechanized farming, feed abundance is assured.

WOOL AND WOOLENS NOT AT THEIR BEST

BY J. E. P.

WOOL COULD DO BETTER.

Probably it will when Secretary Hull completes his negotiations with the British government for a trade treaty—a long drawn out process. The trade has discounted whatever may be the result of this much advertised dicker, but the market needs inspiration. Millmen back away on the least excuse. When they actually need raw material they buy to that extent and not an ounce more. An open winter has seriously affected clothing trade all over the East, and, while newspaper sensationalism concerning synthetics does not exert an influence on prices, apprehension exists that some of it may be more than scientific hokum.

Prices have dropped below the August level for several reasons, principally inability by both sides of the trade to reach an understanding concerning intrinsic values. A conservative bullish tone underlies the market, on the theory that the commodity is cheap. Winter production will be light—an admitted fact responsible for reluctance by packers to sell pulled product. Current orders for fabrics are light, as difference of opinion exists concerning prices of spring lines. Orders placed during the past thirty days are disappointing, although production schedules are expected to improve as the winter works along.

Temperatures Too High

Production for the year promises to be 30 to 35 per cent less than 1937. In any event, it will be substantially less. What clothing trade needs is lower

temperatures to stimulate sales of overcoats and heavy suitings. Jobbers' inventories are low, so that a spurt will go back to tailors, but hope lies in orders for tropical worsteds and gabardines for next summer. The consuming public is blowing its money for pleasure rather than sartorial necessities. Cloth prices have firmed but are still 20 per cent less than a year ago.

Raw wool dealers are able to get slightly more money than two months ago. Current prices, in fact, are the highest since last February, when a rising market prompted mills to increase inventories. A similar pick-up is needed to inject vivacity now, as mills will respond promptly to signs of an upward trend.

Scant attention is paid to the world's primary markets, as domestic prices are close to import parity. Southern Hemisphere values are 25 per cent below a year ago and, under normal supplies, show a stiffening tendency. Developments in the British goods market are encouraging, at least from a sentimental viewpoint.

Domestic stocks are seasonally normal but somewhat in excess of poundage at the previous corresponding season, indicating ample supplies for increased domestic mill operators.

Texas has cleared its decks, reducing a carryover of 14,000,000 pounds from 1937 to 3,976,000 pounds, reckoning with 76,250,000 pounds sheared this year.

Trade Spurts and Lapses

Wool trade this year has been marked by spurts and lapses, the market frequently dropping into a comatose condition. Chaotic politics, the proposed British trade agreement, the New England storm, and disturbed foreign markets due to European crises were responsible factors. Government loans exerted a mild stabilizing influence on the trade.

Fleece wools are selling at 29 to 31 cents in the grease.

Following are the latest eastern reports:

Territory Wools.—Fine and half-blood territory wools received a fairly active demand at strong to rising prices, while lower grades were quiet. Territory wools of half-blood grade received increased attention because of the advances recently established on fine wools. Staple combing length half-blood graded territory wools brought 68 to 70 cents, scoured basis, while French combing length wools of similar grade moved at 65 to 67 cents, scoured basis. Graded French combing length fine territory wools were sold at 68 to 71 cents, scoured basis. Sizeable quantities of original bag fine territory wools brought mostly around 70 to 71 cents, scoured basis, for good French combing length and 68 to 69 cents, scoured basis, for a short French combing length. Odd lots and clips of inferior



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character were available at prices slightly below these ranges.

Texas Wools.—Original bag lines of twelve-months Texas wools moved in moderate volume at mostly 70 to 73 cents, scoured basis. Graded staple combing length Texas wools were moved at 75 to 76 cents, scoured basis, while the short wools out of the lines that were graded were held at around 70 cents, scoured basis. Eight-months Texas wools received some demand at 53 to 65 cents, scoured basis.

FACTORS FAVORABLE IN HIDE MARKET

BY J. E. P.

THE HIDE MARKET IS LOOKING up. A government hide holding has been liquidated. Packers' inventories are down to a point where they are not crowding it, leather stocks are low, and manufacturers' requirements are reasonably urgent. Occasional activity is sandwiched with dull periods. Packer steer hides are moving freely at 12 to 13½ cents; cows at 12½ to 13 cents. For country hides, 43 to 58 pounds, 9 to 9½ cents is the market, extreme realizing 10½ to 11 cents; heavies, 7¾ cents; and all-weights, 8¼ to 8½ cents.

Considerable Buying

Recently considerable buying of both hides and leather for the spring season has been noticed, although shoe production has declined from the August peak. The resultant rise in raw material means advances in shoe prices during the winter.

Estimating the last quarter of 1938, shoe output for the year will be 7 per cent under the 1936 record of 415,000,000 pairs, according to the First National Bank of Boston. Factories have reduced output of winter models and are working on a moderate volume of early spring business for mail order houses and chain stores. An advance in shoe prices is inevitable, as stocks are at the exhaustion stage and makers are out of low-price material purchased early in the summer.

Twenty Per Cent Advance

Domestic and foreign hide prices have advanced 20 per cent since the low point in September and 50 per cent since the low price last spring, which reflects an improved statistical position, due to reduction of domestic inventories, smaller imports, and reduced slaughter. However, North American tanners are purchasing more freely at Buenos Aires, which will have the effect of increasing available supplies.

Upper leather responded first, side leather following, and sole leather trailing. Increased demand for low-cost shoes is in evidence, tanners having stepped up operations to the largest volume since early in 1937.

CHICAGO LIVE STOCK PRICES

	Nov. 15, 1938	Oct. 17, 1938	Nov. 1, 1937
Slaughter Steers—Ch. (1,100-1,500 lbs.)	\$10.75-12.75	\$11.25-13.00	\$17.00-19.00
Slaughter Steers—Good	9.00-11.25	9.25-11.75	11.25-17.25
Slaughter Steers—Ch. (900-1,100 lbs.)	10.75-12.25	11.00-12.50	15.50-18.00
Slaughter Steers—Good	8.75-10.75	9.00-11.00	10.00-17.00
Slaughter Steers—Med. (750-1,300 lbs.)	7.25- 9.00	7.00- 9.25	8.25-11.50*
Fed Young Steers—Gd.-Ch. (550-900 lbs.)	8.75-11.50	8.75-12.00	9.50-17.00
Heifers—Good-Choice	8.75-11.25	8.50-11.50	9.00-15.00
Cows—Good	6.25- 7.00	6.50- 7.25	6.00- 7.50
Vealers—Good-Choice	9.00-11.00	9.50-11.25
Calves—Good-Choice	6.75- 8.50	6.75- 8.50	6.50-12.50
Feeder and Stocker Steers—Good-Choice	7.50-10.00	7.50- 9.75	7.50-10.00
Feeder and Stocker Steers—Com.-Med.	6.25- 7.75	6.00- 7.75	5.50- 7.75
Hogs—Medium Weights (200-250 lbs.)	7.60- 7.75	7.30- 7.60	9.20- 9.60
Yearling Wethers—Good-Choice	6.65- 7.75	5.85- 6.75
Lambs—Good-Choice	8.40- 9.25	7.50- 8.15	9.35-10.40
Feeding Lambs (range)—Good-Choice	7.75- 8.50	7.00- 7.85
Ewes—Good-Choice	3.65- 4.10	3.00- 3.40	3.00- 4.00

*900 lbs. up.

CHICAGO WHOLESALE WESTERN DRESSED MEAT PRICES

	Nov. 15, 1938	Oct. 17, 1938	Nov. 1, 1937
FRESH BEEF AND VEAL—			
Steers—Choice (700 lbs. up)	\$17.00-18.50	\$16.50-18.00	\$21.00-24.00
Steers—Good	15.00-17.00	14.00-16.50	15.50-21.00
Steers—Choice (500-700 lbs.)	17.00-18.50	16.50-18.00	19.50-24.00
Steers—Good	15.00-17.00	14.00-16.50	14.50-21.00
Yearling Steers—Choice	17.00-18.50	16.50-18.00	19.00-22.00
Yearling Steers—Good	15.00-17.00	14.00-16.50	14.00-19.00
Cows—Good	12.00-13.00	11.00-12.00	11.50-13.00
Vealers—Choice	16.50-18.00	15.00-16.00	15.00-16.00
Vealers—Good	14.50-16.50	14.00-15.00	14.00-15.00
FRESH LAMB AND MUTTON—			
Lambs—Choice (all weights)	17.50-19.00	14.00-15.50	18.00-19.00*
Lambs—Good	17.00-18.00	13.00-14.50	17.00-18.00*
Ewes—Good	8.00- 9.00	8.00- 9.00	8.00- 9.00
FRESH PORK CUTS—			
Loins—8-12 lb. average	17.50-18.50	16.00-17.50	18.50-20.00

*45 lbs. down

LIVE STOCK AT STOCK YARDS

	1938	October 1937	First Ten Months 1938	First Ten Months 1937
RECEIPTS—				
Cattle*	1,582,666	1,618,276	11,781,471	12,555,759
Calves	722,954	714,538	5,491,973	6,105,099
Hogs	2,255,336	1,906,495	19,624,120	17,755,393
Sheep	2,805,151	2,697,281	22,100,992	21,550,913
TOTAL SHIPMENTS†—				
Cattle*	791,873	849,051	4,924,630	5,317,660
Calves	327,911	282,143	2,058,154	2,067,230
Hogs	587,267	538,548	5,538,978	5,197,699
Sheep	1,673,085	1,667,951	10,916,403	11,077,291
STOCKER AND FEEDER SHIPMENTS—				
Cattle*	474,884	496,920	2,349,173	2,332,599
Calves	199,406	98,420	483,175	439,984
Hogs	28,139	32,151	346,293	326,448
Sheep	856,463	856,964	2,796,937	2,838,277
SLAUGHTERED UNDER FEDERAL INSPECTION—				
Cattle*	884,000	958,000	8,161,000	8,354,000
Calves	470,000	524,000	4,617,000	5,360,000
Hogs	3,311,000	2,711,000	27,926,000	24,390,000
Sheep	1,638,000	1,530,000	15,259,000	14,546,000

* Exclusive of calves. † Includes stockers and feeders.

HOLDINGS OF FROZEN AND CURED MEATS

Commodity in Pounds	Nov. 1 1938†	Oct. 1 1938	Nov. 1 1937	Five-Year Average
Frozen beef	28,151,000	23,753,000	31,960,000	58,243,000
Cured beef*	13,176,000	13,190,000	11,937,000	18,147,000
Lamb and mutton	2,653,000	2,318,000	2,376,000	3,172,000
Frozen pork	51,232,000	59,330,000	47,476,000	71,979,000
Dry salt pork*	34,608,000	58,884,000	39,005,000	50,791,000
Pickled pork*	164,945,000	159,017,000	179,933,000	249,244,000
Miscellaneous	50,137,000	52,774,000	42,210,000	66,021,000
Total meats	344,902,000	369,266,000	354,897,000	517,597,000
Lard	67,849,000	89,946,000	39,477,000	82,828,000
Frozen poultry	77,607,000	59,942,000	76,208,000	73,456,000
Creamery butter	193,751,000	210,703,000	98,624,000	119,148,000
Eggs (case equivalent)	5,937,000	7,915,000	8,981,000	7,394,000

*Cured or in process of cure. †Subject to revision.

THE LIVE STOCK MARKET CONDITIONS

BY JAMES E. POOLE

ATITANIC STRUGGLE ON A MIN-iature scale is in progress in the fat-cattle market. The issue will not be determined until after the holidays, when trade will return to its normal course. Much will depend on feeders' actions, and at this writing they are somewhat jittery under apprehension that they are holding a bag concealing the same assortment of trouble as Pandora's box. All things considered, the market has withstood buffeting that discloses a healthy undertone. Partly through desire to reduce wholesale beef cost, processors—they are voiceless concerning charges to the ultimate consumer—have applied constant pressure. Feeders have facilitated breaks by dumping immature cattle, from a condition standpoint, trouble ensuing to the extent of 50 cents to \$1 per cwt. depreciation during the first half of November. But on every short run beef-acquiring necessity was in evidence, prices reacting and the beef-rail clearing. Most of this vicissitude affects either cattle lacking sufficient condition to give the carcasses a legitimate place in distributive channels or a type—plain, weighty bullocks—that should have gone to the butcher at less weight.

Feeders should understand by this time, unless they are neophytes, that both quality and condition are essential factors. Making a plain or rough steer fat as a hog is merely deficient judgment. When one load of 1,400-pounders is eligible to \$13.50 and another of the same heft, undesirable from a beef-house standpoint, at \$10.50 or less, criticism has only one spot to alight, yet

men responsible for blunders of that kind kick like defeated politicians whenever they run into such predicaments. The time to cash a rough- or even a plain-bred animal is before it has attained a weight of 1,050 pounds, preferably less—when it cuts a respectable carcass. Consumers demand light cuts of red meat, refusing to purchase excessive bone or waste fat.

Too Many Objectionables

Recently thousands of objectionable steers have reached the market to receive a severe snubbing. They are useless for New York trade, with no other place to go. Either acquired as yearlings and fed too long, or purchased weighing 1,000 or more and fed three to four months, their inferiority becomes conspicuous. Processors, ground between two millstones—feeder resentment and meat trade objection—figure in the role of goats.

In the scramble to get cattle, too many steers of this type figure in present and prospective supply. By obsolete market standards they were "good" cattle; nowadays they are anachronistic product, useful only in emergencies. They accumulate while yearlings—850 to 1,000 pounds—troop over the scales long before the bad actors get a bid.

The November raid hit this type hard—to the tune of about \$1 per cwt., \$9 to \$10 taking them while lighter steers with quality were ready sale at \$11 to \$12.25. The few heavy 1,200- to 1,350-pound bullocks selling in the upper price bracket—\$12.50 to \$13.50—were made to order, the pick of western production, as native or home-grown cattle rarely attain that altitude. At the initiation of the operation, unskilled feeders have a habit of buying undesirables, to nurse red-eyed regret later.

On the break, \$13.10 stopped prime New York cattle; a few days later, \$13.25 to \$13.50 was paid. Yearlings, especially the \$11 to \$12 types, got the short end of the decline, but down in the mass a long string of sales in the \$9 to \$10.25 range was reported daily. They were either plain two-year-olds or short-fed yearlings. On the slump killers picked up steers fed seventy to ninety days in the \$8 to \$8.75 range, many of them deserving another sixty days at the feed bunker, quality considered. Feeders squawked audibly, as is customary in such emergencies.

Deluged with short-feds, killers backed away from \$8 to \$8.75 western grassers, permitting feeders to take them without competition, realizing that they would be back within a few weeks. When corn is scarce excuse for this dumping exits, but not when gains can be made at 7 to 8 cents per pound. The underlying cause is purely psychological. Fear of continued depreciation is the impulse. Between jettisoning warmed-up light steers and holding plain and rough stock, feeders are in a measure responsible for "balling up" the trade.

Fast Cheap Gains

Cattle have made rapid, cheap gains. Nature in beneficent mood made a heavy tonnage of cheap corn and other feeds. Weather was ideal for putting on gains. Final prices were attractive. A fat purse was hung on the wire; response was spontaneous and generous. Beef is in competition with cheap pork, and, as consumers were taxed for the former, they switched. "You can't buy much beef for a quarter, but that money takes enough pork chops for a family meal," explained a housewife in a market when she picked hog product. A gigantic switch to pork is indicated by diminishing stocks of that meat in packers' coolers.

Killers got few western grass cattle this year, going into the winter with the shortest accumulation in trade history. The season's gathering ran heavily to stockers and feeders, killers watching them hike to the country with ill-concealed satisfaction. As a big corn crop developed and prices slid down to first depression levels, mobs gathered in the stocker alleys, paying \$9.50 to \$10.25 for the pick of the steer calf crop, grabbing heifers at a dollar discount, and taking well-bred yearlings at \$8.50 to \$9. Late in the season a phalanx of plain-bred yearlings and two-year-olds was taken on at \$7.25 to \$8, but at all times the call was for quality and more of it. Feeders missed the old-time grist of native red cattle eliminated from production by the drought and dairy expansion, cannery operators failing to fill their feed-lots with the class of low-costers with weight they have been accustomed to bag at this season. The last rounds of the season's stock cattle market were as animated as a

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New York night club jamboree. In the scrimmage regular feeders were dis-
tanced by the in-and-out element.

How many cattle have gone into feeders' hands, what they cost, and when they will report for beef duty this deponent saith not, nor can anyone do so with reasonable accuracy. A large percentage is yearlings. What they cost at the central markets is everybody's secret; but in the resale at interior auctions and private barter events scattered over the hinterland investors climbed the scale. This comparatively new phase of stocker trade is impregnated with danger. Ringside enthusiasm frequently subordinates judgment, those responsible discovering their error when the cattle go to the killer.

At this writing the fat market resembles Finnegan's hand car—"off again, on again." Buyers take to the alleys each morning with injunction from the front office to "get 'em down." Distracted packers, between labor aggression, tax imposition, bureaucratic innovation, and consumer imprecation, are in a bad way. Whenever a retailer tacks a nickel to the price of a pound of beef, or the restaurant guy adds a nip, he passes the buck back to the source of supply. Both are glib on the hackneyed subject of how much more he is paying. Even the retailer has his troubles, between upish operation cost and curtailed volume, plus labor and its exactions. This is no era of good feeling.

A daily scramble for heifers demonstrates popularity of light beef. Regardless of whether they cost \$6.50 or \$10.50 per cwt., the platter is swept clean long before buyers show interest in steers. Heifers have been money makers right along, conditioning rapidly and cheaply. Chicago and adjacent manufacturing towns consume the bulk of the product. Even low-grade dairy heifers command a reliable market.

Bovine trash is coveted by killers. Little southern "bow-wows" at \$5.50 to \$6.50 for steer and heifer mixtures, \$7 to \$7.50 for steers little better, sell at the break of day. Canner and cutter cows, \$4 to \$5.25, and dairy-yard culls wearing a beef covering up to \$6 get action, dry western cows earning anywhere from \$7 to \$8. A demoralized milk market caused dairy herds to be culled closely for "boarders" this fall, "hot dog" and "Hamburger" needs gathering them in. These products are highly popular, although their respective admixtures are gastronomic mysteries. A meat-market man, asked if he ate "Hamburger," replied: "Not when I am away, because I do not know what it is made of. At home, knowing what it is made of, I eat something else."

Hog Product Competes

Hog products and beef are keen competitors. A determined effort to put drove cost below \$7.50 per cwt., Chicago basis, went wrong. The country, previ-

ously panicky, recovered its second wind when packers began scrambling for a share of the daily supply at \$7.50 to \$7.75, and, realizing that it had a competitive market, ceased dumping. On this basis, with corn at 30 to 35 cents per bushel, hogs are already figuring in the role of mortgage-lifters. Packers went into the winter season with the lightest accumulation in half a decade and are interested in gathering inventories. On November 1 the holding of pork was down to 250,000,000 pounds, despite a free marketward movement.

Lard, hoodoo of the swine industry, is down to 67,849,000 pounds at the inception of the winter packing season. Exports have lowered the national stock, decreasing 24 per cent during October, although the aggregate is double that of a year ago. War scares were responsible for heavy European purchasing, which may not continue, although the gain is encouraging.

Swine production is expanding especially in the Southeast, threatening to throw the northern industry out of joint. Packers are on the ground, ready to cope with a new and welcome supply source, as they need volume in the worst way, never having made a dollar on hogs they did not process. Imports of Polish and other European hams show sharp recessions. Continued expansion may necessitate a second pig massacre, unless the two-price expedient is made effective, enabling low income people to buy pork at discounts, in which event other meats will encounter discriminations. However, this is popularly re-

garded as merely another outbreak of crackpotitis.

Lamb Heading Upward

A \$10 market for fed lambs is on the horizon. As in the case of cattle, speculation is rife concerning winter feeding volume. A popular guess is 25 per cent less than last winter's huge production, as not a single feeding area of major importance was able to fill up. Both fat and feeder prices have advanced sharply since the summer low spot was uncovered, and \$7.50 bought scads of lambs. Mid-November developed a \$9 to \$9.25 trade on the bulk of fed western and native lambs, the market showing a firm undertone, as eastern dressed trade became dependable the moment the glut was relieved. Customers with an aversion to ovine products will not encounter sales solicitation during the winter.

Feeders, both east and west of the Missouri River, balking at asking prices early in the season, ran into a *cul-de-sac* later when \$8 to \$8.60 was paid freely at Chicago. Ohio feeders demanding "seven cents laid down," with admonition that Texans be barred, covered their needs to a limited extent at the highest prices of the crop, going to Texas for relief. Indiana did not fill, Illinois went short, and Iowa failed to repeat its 1937 holding. Just where Colorado "is at" will not be known until the last lamb is in. Nebraska's deficiency is 25 to 40 per cent. Michigan, Minnesota, and Wisconsin were all outdistanced.

This marks the wind-up of probably the biggest lamb crop the country has



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ever raised. Packers processed thousands of fairly fleshed lambs feeders would not consider owing to excessive weight. Thousands of ewe lambs and yearlings were retained in the West for replacement purposes and for sale next year. But, despite this, slaughter was continuously heavy, every pound of the product going into immediate consumption "at a price." California took a large percentage of discarded western ewes, paying more money than would have been possible had the entire package been sent eastward, where mutton is as popular as a skunk at a garden party.

Reduced lamb production will end, however, when the 1939 spring crop knocks at the market gate. Despite a disastrous year, both for breeders and feeders, enthusiasm runs high. Western growers are rehabilitating flocks, Texas is sheep-minded, Corn Belt farmers consider small flocks profitable, and all over the eastern country a miniature boom, fostered by government bounty, is in evidence.

FEEDSTUFFS PRICES

Cottonseed cake and meal was quoted on November 19 at \$24 a ton, f. o. b. Texas points. Hay prices, carlot, on November 18, at Omaha were: Alfalfa—choice leafy, \$13.50 to \$14.50; No. 1, \$12.50 to \$13; standard leafy, \$11.50 to \$12.50; standard, \$10.50 to \$11.50; No. 2, \$9 to \$10; No. 3, \$7.50 to \$8; upland prairie—No. 1, \$9 to \$10; No. 2, \$8 to \$9; No. 3, \$7 to \$7.50; midland prairie—No. 1, \$8.50 to \$9; No. 2, \$7 to \$8; mixed—No. 1, \$9 to \$10; No. 2, \$8 to \$9; No. 3, \$7 to \$7.50.

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WHR Herefords

was paid in the annual WHR sale, when leading Hereford breeders and cattlemen bought 57 head at auction for an average of \$588.00.

Now, a good set of WHR bulls won't cost you any such price, but they will do as much good as though you paid \$500 for them. Try them and be convinced.

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Wyoming Hereford Ranch

CHEYENNE

FOREIGN

ENGLISH LIVE STOCK LETTER

BY J. RAYMOND

THE FIRST REPORT OF THE LIVE Stock Commission has just been published and reviews the working of the new cattle subsidy scheme during its first eight months—from August 1, 1937, to March 31, 1938. The commission states that it is satisfied that "a marked improvement in the finish of cattle presented for certification is already apparent, and store cattle of good quality are commanding high prices. Supplementary evidence also indicates that breeders are turning their attention to the use of better breeding bulls." Allegations that animals had been improperly certified had in many cases, states the report, been proved to be without foundation or based on misunderstanding.

During the period under review, 1,142,208 animals were examined at live- and dead-weight centers in the United Kingdom, as compared with 1,320,365 and 1,282,911 in the corresponding period of 1936-7 and 1935-6, respectively. Of that number, 67.3 per cent were presented at centers in England, 5.8 per cent in Wales, 19.9 per cent in Scotland, and 7 per cent in Northern Ireland.

Fewer Certifications

The number of animals eligible for the subsidy was 1,055,367, or 92.4 per cent of the number examined. The number of animals certified in the United Kingdom in the period under review was 10.3 per cent less than in the corresponding period of 1936-7 and 7.5 per cent less than in 1935-6. The decline in certifications was most notable in Northern Ireland, where the numbers fell by 23.8 per cent compared with 1936-7, and by 30.4 per cent compared with 1935-6. The average weight of all cattle certified was less by 5 pounds per head than in the corresponding period of 1936-7 and by 10 pounds per head than in 1935-6. At the live weight centers, the average price per live cwt. for all cattle was \$9.98, as compared with \$8.22 and \$7.42 in the corresponding period of a year and two years earlier. The prices realized by carcasses at dead-weight centers showed similar trends.

With regard to live-stock markets, the report states: "The commission intends to pursue, on a systematic basis, the task of securing a rationalized markets system throughout the country by intensive examination of the marketing facilities available in areas to which the attention of the commission may be drawn or in which it may already know that improvements are desirable or

necessary." The subsidy payments during this period totaled \$13,385,000.

The commission regards uniformity in grading throughout the country as of major importance. Accordingly, each divisional inspector is required, at frequent intervals, to accompany every inspector in his division on visits to centers. The total sum payable by a producer is now 40 cents for each animal examined but not certified, while the total sum receivable by the certifying officer has, in effect, been increased from 24 to 28 cents for each animal certified, together with an additional 6 cents for each animal examined but not certified.

Classification

For purposes of identification, imported cattle are marked, at the port or place of entry into the United Kingdom, with a punch-hole in the left ear and a tattoo mark consisting of a broad arrow and a two-figure number. No imported animal is eligible for certification until it has been in the United Kingdom for a continuous period of at least three months, and the tattoo number is changed every fortnight to provide evidence of importation as well as of length of stay in the United Kingdom. The classification of animals as home-bred or imported has presented no insuperable difficulty, and the report goes on to say that the certification of animals as of quality standard or of ordinary standard has worked smoothly. Although the grading requires the exercise of a greater degree of care on the part of the certifying authorities, sales have not been delayed in consequence. The preparation of a list of eligible animals while the animals are being examined has been quite practicable and the variations embodied in the present scheme in relation to different descriptions of animals are generally recognized to be improvements on the temporary scheme.

A considerable improvement in grading has been rapidly effected, and the commission is satisfied that the standard of grading throughout the country is reasonably uniform and in accordance with the regulations. A continued difficulty, which is being closely watched by the commission, is encountered in certain parts of the country in regard to the acceptance for the "quality" subsidy of a proportion of heavy imported animals of a rough type. In most cases these animals are well finished and dress out at 57 per cent as required by the regulations. The position in these areas appears to be that undue importance is attached to the killing-out percentage and insufficient attention is paid to the description of a "quality" animal as laid down by the regulations. The commission has also informed certifying authorities that, where an animal is

found to be infected with warble fly to such an extent that the fat covering the animal is not likely to be uniform, the animal should not be considered as eligible for the "quality" subsidy.

Representations have been made to the commission that an effect of the requirement of a killing-out percentage of 57 per cent is to exclude from the "quality" subsidy a considerable number of young lightweight heifers of excellent conformation and finish. These animals are stated to furnish "select" carcasses, to command high prices, and to be "quality" animals. The commission is accordingly to examine the question whether some modification in the regulations might be desirable to enable such animals to be certified as of "quality" standard.

Tables in the report show that the rate of marketing was lower in each month from August, 1937, to March, 1938, than in the corresponding months a year or two years earlier. As compared with 1936-7, the decline ranged from 5.8 per cent in September to 13.1 per cent in February and, as compared with 1935-6, from 2.7 per cent in October to 13.1 per cent in March. Of the total number of certified animals, a percentage increase occurred in 1937-8, as compared with 1936-7, of 1.7 per cent in the number of heifers and of 0.2 per cent in the number of cow-heifers, the percentage of steers showing a corresponding aggregate decrease.

Compared with the corresponding period of 1936-7, the total numbers of animals certified declined in every agricultural division, and in Great Britain as a whole dead-weight certifications declined 36.2 per cent. In England, the fall amounted to 35.8 per cent; in Wales, to 42.4; and in Scotland, to 37.0 per cent. "This decline was no doubt in a large measure due to the provision in the existing subsidy scheme which requires that a producer shall not withdraw his animal from certification if it has been sold," says the report. "Under the temporary scheme it was not uncommon to find that producers withdrew animals from certification on the payment of the purchaser of the amount of the subsidy. This enabled the purchaser to present the animal for certification at a later date at a dead-weight certification center."

There was a reduction in average carcass weight of 38 pounds at dead-weight centers in England and Wales and an increase of 2 pounds at centers in Scotland.

FROM FOREIGN FIELDS

FROM THE OFFICE OF THE American Commercial Attache in The Hague it is reported that "Revisions in the government cattle stock control in The Netherlands have resulted in increasing the number of cattle on farms. However, there is anything but a sur-

plus of meat, and it is doubted in many circles whether the stock restriction measures have not surpassed their original purpose. The government for a number of years has been supplying canned meat to unemployed and destitute people at a very low price. The idea was first to help curtail the too large number of live stock, but once begun, the demand proved to be such that the service had to be continued. Accordingly, when the stock of canned meat was exhausted in the spring of 1938, the government decided to can another 10,000,000 kilos of beef. How-

ever, it was first rumored and then confirmed that 4,000 metric tons would be imported for the purpose involved."

* * *

Australia, according to press dispatches, hopes to solve the problem of her wheat growers by a fixed domestic price for wheat, a variable excise duty on flour, and perhaps a penny rise in the price of bread. The federal cabinet has approved a plan for a federal wheat board, which will be submitted to the states. Under the plan the state government will fix \$1.16 as the home consumption price for wheat. Since the

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states are not allowed to impose duties that would affect commerce between them, the commonwealth government will impose a variable excise duty on flour for all Australia. The duty will represent the difference between world prices for wheat and \$1.16.

* * *

Something new in live-stock trading in Canada will be attempted this month, says the *National Provisioner*. At Winnipeg, live stock will be sold by auction, as contrasted with present custom of private sales at the stock yards. The auction system is widely used in the United Kingdom, and the experiments are to test out the merits of the two methods. Should the auction system prove more satisfactory in western Canada, it may be generally adopted. Under present system buyers go into the yards with the seller and bargain privately. Under the auction system all bids would be publicly announced and each buyer would have an idea what his competitor is willing to pay.

* * *

The live-stock population of Canada on June 1 showed a marked decline compared with June 1 a year ago. Cattle at 8,511,000 head were 329,300 fewer; hogs at 3,486,900 head showed a decline of 12 per cent; sheep at 3,415,000 showed an increase of 76,000 over the year previous. The total of all animals on farms was 12,517,000 head, a decline of 3.7 per cent from a year previous. Decreases were in cattle and hogs, and were attributed largely to feed shortages in prairie area.

* * *

A rather intensive program is reported under way to popularize the use of whale meat as a substitute for beef in Japan. Whale meat will be the main

course in "national policy lunches." Some difficulty is said to have been encountered in pushing sales of whale meat because of the unpleasant odor which seems to be inseparable from whale meat, no matter how it is prepared.

* * *

Foot-and-mouth disease in Germany is showing signs of being brought under control, it is reported, but its effects are only beginning to show in reduced beef and veal supplies and will be felt seriously for a long time to come. In the country as a whole, with the exception of Austria, 72,882 farms were infected with foot-and-mouth disease on October 1, 1938.

* * *

A factory is being constructed at Regensburg, Bavaria, for the production of cattle fodder from wood, according to *Pastoral Review*. It is proposed to deal yearly with 150,000 tons of waste wood from saw mills and forests, from which 20,000 tons of carbohydrate concentrate will be extracted, which will be converted into 10,000 tons of cattle fodder.

* * *

British lard imports for the first three quarters of 1938, compared with 1937, were (in thousands of pounds):

From	1937	1938
United States.....	41,245	94,755
Canada	24,347	13,242
Other British countries	13,332	4,311
Argentina	19,018	5,586
Other countries.....	17,429	6,478
Total	115,371	124,372

* * *

The British labor party has launched a drive to popularize an agricultural policy along lines of that of New Zealand, according to the press. It would adopt the New Zealand system of guar-

anteed prices for the farmers a year in advance; eliminate the middleman and so reduce the price between what the public pays and what the farmer receives; appoint national agricultural commissions of growers, land-workers, and consumers; and establish in advance how much of each particular food can be consumed.

* * *

Mexico and the United States have agreed on a settlement of a years-old dispute over expropriation of American-owned agricultural land, and Mexico will make an initial payment of \$1,000,000. An international commission will fix the value of the land involved.

* * *

A new contract system between British bacon factories and producers of bacon-type hogs in the United Kingdom, expected to eliminate much of the existing risk in hog feeding, has as an outstanding feature a guaranteed price to producers and a government subsidy to bacon factories.

STOCKMEN'S BOOKSHELF

LEGUMES IN SOIL CONSERVATION PRACTICES, by Dr. A. J. Pieters, of the Conservation Service. Leaflet No. 165. Write Department of Agriculture, Washington, D. C. Since most leguminous crops produce a dense, leafy top growth, they immediately check erosion by shielding the soil from falling raindrops. At the same time they retard surface water run-off. Legumes add organic matter to the soil which makes it more absorptive. And finally, they pull nitrogen out of the air and place it in the soil where it can be utilized by following crops which in themselves guarantee some measure of soil protection.

* * *

SHRINKAGE OF GREASE WOOL IN RELATION TO PRICES, by Russell L. Burrus and James J. Window. Bureau of Agricultural Economics bulletin. Write Bureau of Agricultural Economics, Washington, D. C. Contains valuable information about shrinkage of wool.

* * *

RURAL ELECTRIFICATION ON THE MARCH, by Rural Electrification Administration. Address: Superintendent of Documents, Washington, D. C. 20 cents. Gives information on rural electrification progress, how power goes to the farms, pioneering in the rural electrification law, and the effect on the cost of electricity.

* * *

PREVENTING AND CONTROLLING LAMB DISEASES IN COLORADO FEEDLOTS. Bulletin No. 448, just published by the Colorado State College Experiment Station, at Fort Collins, Colorado. Free. The pamphlet is prepared not only for the feeder, but also for veterinarians in the lamb-feeding districts.

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ROUND THE RANGE

WESTERN LIVE STOCK AND RANGE REPORT

WESTERN RANGES CONTINUE to furnish ample feed. Live stock at the beginning of the winter is in better than average flesh. Abundant supplies of roughage and grain feeds are available in practically all states, and prices of these are relatively low. On the whole, condition in the live-stock industry is relatively favorable, according to report released November 1 by the Denver regional live-stock office of the Bureau of Agricultural Economics. Condition of ranges was 81 per cent, which compares with 82 per cent last month, 76 a year ago, and the 1928-37 November average of 76.

Summary by states:

Arizona.—Ranges deteriorated slightly; stock water short in many sections but not seriously; stock as whole held up remarkably well.

California.—Range and feed very favorable; new feed along north coast; new grass on lower and intermediate Sacramento Valley ranges and other northern California sections; heavy natural forage and pasturage in central and southern areas; ample feed for winter; stock above average; in-shippments restricted by competition from Corn Belt and eastern buyers.

Colorado.—Cattle and ranges unusually good; ample hay and rough feed in most areas; cattle and lambs closely held.

Idaho.—Ranges and pastures excellent except in few local areas; hay and grain expected ample for normal winter at reasonable prices; live stock excellent; fewer than usual sheep held for feeding.

Kansas (western).—Ranges and wheat pastures and cattle declined; range area top soil very dry; southwestern wheat pastures best in many years, drawing substantial movement; stocker and feeder cattle demand steady; financial conditions poor.

Montana.—Live stock and feed very favorable; above normal precipitation in October except in southeast; plenteous range and pasture and large supplies winter feeds; decrease indicated in fall shipments compared with drought years; much decrease shows restocking; unusually large percentage ewe lambs held.

Nebraska.—Ranges generally good and grass good quality; surplus feed in range sections; cattle and calves good to excellent; tendency to restock; wheat and rye pastures prospects not so bright as month ago.

Nevada.—Ranges and pastures improved; greatest improvement in northwest and south; live stock in good condition; much moved to winter ranges where prospects better than month ago.

New Mexico.—Live stock generally better than normal; range and feed ample for normal winter; fall shipments

heavy; winter wheat in east-central counties developing well.

North Dakota.—October drought continued except in parts of north-central district; range and pasture in eastern third very short; in western two-thirds good; stock in very good condition; tendency to hold.

Oklahoma.—Pasture and range declined but range feed generally good and roughage ample; cattle and calves good but shrinkage noticeable; drought eased; grain pasture prospects improved; breeding stock held; some restocking if good growth fall grains.

Oregon.—Ranges and pastures improved; plentiful winter feed and surplus in feeding areas; new grass started and generally good supply dry grass gone to seed; she-stock generally held; tendency to carry over to next year; restocking chiefly by natural increase; some breeding stock sold to states where drought reduced numbers; ewe lambs held for replacement; many old ewes sold for slaughter and feeding.

South Dakota (western).—Ranges in general average but grasshopper and drought damage severe in northwest; cattle and sheep good; most breeding stock held; restocking chiefly by holding increase as feed supplies warrant.

Texas.—Dry range feed in most districts; green feed in only favored areas; moisture good in extreme northwest but remainder abnormally dry; good yields early feed crops; good supply grain feeds and roughage in producing areas; late feed crops failed to make grain in northern districts but roughage supplemented; feeder and market stock movement heavy.

Utah.—Pastures and ranges generally improved; most winter ranges usable due to recent storms; cattle and sheep in good condition.

Washington.—Fall rains improved grain and pasture; new grass started; abundance dry grass; large grain surplus at low prices; hay plentiful in east but short in west; feeder demand very active; breeding stock held.

Wyoming.—Range feed generally ample; some stock water shortage in northeast counties; feed supplies ample except northeast counties; live stock good to excellent; more breeding stock than usual; outlook good.

BULLETINS IN BRIEF

"PROBABLY THE MOST IMPORTANT new development in the live-stock and meat industry in the past fifteen years has been the phenomenal growth of the **canned dog food business,**" according to the Institute of American Meat Packers. "Its production has grown during that period from a few thousand cases a year to an annual output of millions of cases, requiring vast quantities of live-stock products and other farm products. Principal ingredients are meat and meat by-products."

Top of the WHR auction October 31 (at the Wyoming Hereford Ranch, Cheyenne, Wyoming) was \$2,000 paid for each of two individuals. An average of \$588 was paid on the entire offering, twenty-seven bulls going at an average of \$801 and thirty females at a \$397 average. . . . Grand champion bullock of the American Royal Live Stock Show was a ten-month-old Hereford from the district of Texas of which Mason is the center. The steer was shown by Mayfield Kothman, sixteen, Mason 4-H Club member. . . . Competing in a field of well-coached teams from eleven colleges and universities, the University of Nebraska captured championship honors in the intercollegiate **meat judging contest** held at the American Royal Live Stock Show. . . . Grand champion baby beef at the Ak-Sar-Ben 4-H Club show at Omaha, Nebraska, recently, sold at \$1.25 per pound. John Gosch, of Iowa, was owner of this Hereford calf that weighed 951 pounds.

* * *

Farmers' marketing and purchasing co-operatives registered a 14 per cent increase in business volume in the past year, according to 1937-38 estimates released by the Farm Credit Administration. Farmers did a marketing business of \$1,960,000,000 through their co-operative associations—a rise of 10 per cent over 1936-37—and boosted by 23 per cent the volume of purchasing done co-operatively, buying supplies worth \$440,000,000. A breakdown of business volume by commodities shows that five major commodities have increased substantially in the dollar volume routed through co-operative channels, while four have experienced some decrease, live stock being in the latter group with a decline of 3 per cent.

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Herds of purebred farm animals have been sent to Chicago from farms and ranches in twenty-nine states and Canada for the thirty-ninth **International Live Stock Exposition**, which opened in Chicago at the International amphitheater on November 26. A total of 1,350 entries has been listed for the breeding and individual steer classes of the six breeds. Beef Shorthorn breeders have listed 300 head; Milking Shorthorn breeders have entered 150 head; Polled Shorthorns, 130 head; Aberdeen-Angus, 383 head; Herefords, 261; Red Polled, 104. . . . Fifteen sections of new exhibit material depicting in simple, popular form the latest live-stock findings and recommendations of the Department of Agriculture have been shipped to the International.

* * *

Armour and Company operated at a consolidated net loss of "about \$1,500,000" for the fiscal year ended October 29, against \$12,417,019 consolidated net income reported for the preceding fiscal year, according to Robert H. Cabell, president. . . . L. C. Steele, of Fredonia, New York, was elected a vice-president and director of the **Cudahy Packing Company** at a meeting of the board of directors recently. He takes the place on the Cudahy board vacated by C. G. Marhoff, who resigned recently due to ill health.

* * *

Poultry receipts for the remainder of 1938 and the first few months of 1939 are expected to exceed those of the previous year, according to the Bureau of Agricultural Economics. Storage stocks on September 1, however, were only 54,992,000 pounds, compared with 63,733,000 pounds last year. Number of turkeys on hand on September 1 was nearly 4 per cent greater than in 1937.

* * *

Despite steadily declining consumer buying power during the first ten months of the year, meat packers will have paid more than \$1,800,000,000 for live stock bought during the fiscal year closing October 31, according to Thomas E. Wilson, of Wilson and Company. In the fis-

CATTLE WANTED

If you want to sell three to ten carloads of calves, yearlings, twos, both sexes, or stocker twos, to Iowa corn growers, please send full description.

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RANCHES, large or small, for sale, exchange, or lease, in Texas, New Mexico, Arizona, Wyoming, Montana, California, Canada, Central and South America, Africa, and islands of the sea. J. D. FREEMAN, Gunter Building, San Antonio, Texas.

cal year 1936 meat packers paid an estimated \$2,025,000,000 for live stock; in 1932-33 live stock cost packers an estimated \$1,015,000,000. Mr. Wilson, making these statements in connection with the recent convention of the Institute of American Meat Packers, also stated that meat prices, which reached a peak about a year ago, are down from 9 to 31 per cent at wholesale, as compared with this time last year.

* * *

Scientific proof that horse encephalitis, or sleeping sickness, can be and is transmitted to human beings, with the same fatal results as in animals, has been established by the Hooper Foundation of Medical Research of the University of California, according to a *United Press* item.

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R. I. Kimmel, Department of Agriculture co-ordinator, says that the nation's "dust bowl" has been reduced from 20,000,000 acres to 2,000,000. The worst conditions, he said, are centered at the meeting point of the Kansas, Oklahoma, and Colorado boundary lines. Parts of Texas and South Dakota also are still included in the dust bowl. "The region is no horn of plenty," he said, "but most of the area is covered at least by a thin crust of weeds and cover crops."

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In Cincinnati, Ohio, a new agent to make meat tender is being put on the market. It is called the "Tendra" atomizer, and is sprayed on meat before sale. It is claimed to be odorless, tasteless, and colorless, its only active ingredient being the papaya melon, a tropical fruit noted for its many excellent qualities, one of which, it is stated, is the ability to make meats tender.

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Meat and meat products graded and stamped by the Bureau of Agricultural Economics during the first eight months of this year amounted to 484,803,161 pounds, compared with 344,013,420 pounds during the same period last year. Grading of beef increased from 282,708,380 pounds to 410,129,923 pounds. Grading of lamb and mutton increased from 14,727,420 pounds to 17,956,833 pounds.

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The board of the National Council of the Boy Scouts of America accepted recently from Mr. and Mrs. Waite Phillips, of Tulsa, Oklahoma, a gift of 35,857 acres of land near Cimarron, New Mexico, and \$50,000 for developing it for camping purposes, says an *Associated Press* item.

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Community cold-storage plants now total about 1,300 in thirty-three states. The Corn Belt, from Ohio west through Kansas and the Dakotas, has 795 locker plants, of which Iowa has 305 units, the largest number for any state, government statistics show. Washington has

225 units; Minnesota, 114; Nebraska, 92; Kansas, 90; Oregon, 75; Wisconsin, 65; Idaho, 50; Illinois, 46; Oklahoma, 42; and South Dakota, 25. Many new plants are proposed or under construction. Some families using the lockers live as far as fifty miles from the lockers lockers.

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Interest among breeders and owners of live stock has been stirred by the publication in the *New York Daily News* of the results of a series of experiments with rats in the predetermination of sex. The experiments, conducted by the Applied Research Laboratories of Dayton, New Jersey, and approved by the New Jersey State Board of Health as a public health laboratory, show that a large measure of artificial control can be exerted over the sex of the offspring of rats. In these experiments female rats were given an acid or alkaline treatment immediately before mating, and a preponderance of either sex in the offspring has been produced as desired. Results have been uniform and conclusive for fifteen litters of rats.

FINE

The weather is fine, cattle are in good shape, and we have had an inch of moisture in the past week. Corn—what there is of it—is good.—FRANK DEFRANCE, Gordon, Neb.

NO CATTLE

Wheat pasture is abundant—as good as it was in the fall and winter of 1934. No cattle in the country. Plenty of hay and feed. Weather has been ideal. Warm, sunshiny days, and enough rainfall already to go through until spring.—B. J. PLATTS, Amorita, Okla.

TEN YEARS

I am glad to see cattle prices up, for the sake of the fellows who have had animals to sell. They surely need the money after the low prices and drought season, although last year's prices were pretty good. Crops generally were poor hereabouts, except for feed. Too hot and a good deal of severe hail. Too many hoppers. Quality of range feed is good and in places there is plenty. Stacked feed abundant and not too high. A lot of cattle have been sold out and are not being replaced, although many people bought ewes of various ages and ewe lambs to keep. Lamb prices are not nearly so high as last year, but young breeding ewes are high and scarce. I fully believe that no horse or cow thief in any state should get less than ten straight years without any parole privileges or any time off for being forced to be good. Let them practice good behavior after they are freed.—LINN L. GIVLER, Boyes, Mont.

AMERICAN CATTLE PRODUCER

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